

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

FILED SENATE
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S.B. 126
PRINCIPAL CLERK

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SENATE BILL DRS35059-RB-4 (02/09)

Short Title: Change the LOST Adjustment Factor. (Public)

Sponsors: Senator Brown (Primary Sponsor).

Referred to:

A BILL TO BE ENTITLED

AN ACT TO CHANGE THE LOCAL OPTION SALES TAX (LOST) ADJUSTMENT FACTOR
TO ONE THAT VARIES BY ECONOMIC DEVELOPMENT TIERS.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 105-486(b) reads as rewritten:

"(b) Adjustment. – The Secretary shall then adjust the amount allocated to each county under subsection (a) by multiplying the amount by the appropriate adjustment factor set out in the table below. The adjustment factor is based on the development tier designation of the county under G.S. 143B-437.08. The development tier designation of a county is effective for the fiscal year following the designation. If, after applying the adjustment factors, the resulting total of the amounts allocated is greater or lesser than the net proceeds to be distributed, the amount allocated to each county shall be proportionally adjusted to eliminate the excess or shortage.

<u>County Area</u>	<u>Development Tier</u>	<u>Adjustment Factor</u>
Development tier one		1.10
Development tier two		1.00
Development tier three		0.90
Dare		1.49
Brunswick		1.17
Orange		1.15
Carteret and Durham		1.14
Avery		1.12
Moore		1.11
Transylvania		1.10
Chowan, McDowell, and Richmond		1.09
Pitt and New Hanover		1.07
Beaufort, Perquimans, Buncombe, and Watauga		1.06
Cabarrus, Jackson, and Surry		1.05
Alleghany, Bladen, Robeson, Washington, Craven, Henderson, Onslow, and Vance		1.04
Gaston, Granville, and Martin		1.03
Alamance, Burke, Caldwell, Chatham, Duplin, Edgecombe, Haywood, Swain, and Wilkes		1.02
Hertford, Union, Stokes, Yancey, Halifax, Rockingham, and Cleveland		1.01
Alexander, Anson, Johnston, Northampton, Pasquotank, Person, Polk, and Yadkin		1.00



1	Catawba, Harnett, Iredell, Pamlico, Pender, Randolph, Stanly, and	0.99
2	Tyrrell	
3	Cherokee, Cumberland, Davidson, Graham, Hyde, Macon,	0.98
4	Rutherford, Scotland, and Wilson	
5	Ashe, Bertie, Franklin, Hoke, Lincoln, Montgomery, and Warren	0.97
6	Wayne, Clay, Madison, Sampson, Wake, Lee, and Forsyth	0.96
7	Caswell, Gates, Mitchell, and Greene	0.95
8	Currituck and Guilford	0.94
9	Davie and Nash	0.93
10	Rowan and Camden	0.92
11	Jones	0.90
12	Mecklenburg	0.89
13	Lenoir	0.88
14	Columbus	0.81"

15 **SECTION 2.** This act becomes effective July 1, 2017, and applies to local option
16 sales taxes collected on or after that date and distributed to counties and cities on or after
17 September 1, 2017.