

- 1 (1) Prepared food and beverages served to residents in boardinghouses and sold
2 together on a periodic basis with rental of a sleeping room or lodging.
- 3 (2) Retail sales exempt from taxation under G.S. 105-164.13.
- 4 (3) Retail sales through or by means of vending machines.
- 5 (4) Prepared food and beverages served by a retailer subject to the local
6 occupancy tax if the charge for the prepared food and beverages is included
7 in a single, nonitemized sales price together with the charge for rental of a
8 room, lodging, or accommodation furnished by the retailer.
- 9 (5) Prepared food and beverages furnished without charge by an employer to an
10 employee.
- 11 (6) Retail sales by grocers or by grocery sections of supermarkets or other
12 diversified retail establishments, other than sales of prepared food and
13 beverages in the delicatessen or similar department of the grocer or grocery
14 section.
- 15 (7) Prepared food and beverages served on a federal military reservation.

16 **SECTION 1.(d)** Collection. – Every retailer subject to the tax levied under this
17 section shall, on and after the effective date of the levy of the tax, collect the tax. This tax shall
18 be collected as part of the charge for furnishing prepared food and beverages. The tax shall be
19 stated separately on the sales document and shall be paid by the purchaser to the retailer as trustee
20 for and on account of the municipality. The tax shall be added to the sales price and shall be
21 passed on to the purchaser instead of being borne by the retailer. The entity collecting the tax
22 shall design, print, and furnish to all appropriate businesses and persons in the town the necessary
23 forms for filing returns and instructions to ensure the full collection of the tax.

24 **SECTION 1.(e)** Administration. – The municipality may enter into an agreement
25 with Brunswick County for the administration and collection of the tax levied under this section.
26 In the absence of an agreement, the municipality shall administer the tax levied under this section.
27 A tax levied under this section is due and payable to the local administering authority as agent
28 for the taxing entity in monthly installments on or before the 20th day of the month following the
29 month in which the tax accrues. Every retailer liable for the tax shall, on or before the 20th day
30 of each month, prepare and render a return on a form prescribed by the municipality or, at the
31 municipality's direction, the entity administering and collecting the tax. The return shall show
32 the total gross receipts derived in the preceding month from sales to which the tax applies.

33 A return filed under this section is not a public record and may not be disclosed except
34 in accordance with G.S. 160A-208.1.

35 The provisions of Article 5 and Article 9 of Chapter 105 of the General Statutes apply
36 to this section to the extent they are not inconsistent with the provisions of this section. The
37 uniform meals tax penalty provisions of G.S. 160A-214.1 apply to a tax levied under this section.

38 **SECTION 1.(f)** Refunds. – The entity administering the tax shall refund to a
39 nonprofit or governmental entity the prepared food and beverages tax paid by the entity on
40 eligible purchases of prepared food and beverages. A nonprofit or governmental entity's purchase
41 of prepared food and beverages is eligible for a refund under this subsection if the entity is entitled
42 to a refund under G.S. 105-164.14(b) or (c) of local sales and use tax paid on the purchase or if
43 the sale is exempt under G.S. 105-164.13. The time limitations, application requirements,
44 penalties, and restrictions provided in G.S. 105-164.14(b), (d), and (d1) apply to refunds to
45 nonprofit entities; the time, limitations, application requirements, penalties, and restrictions
46 provided in G.S. 105-164.14(c), (d), and (d1) apply to refunds to governmental entities. When
47 an entity applies for a refund of the prepared food and beverages tax paid by it on purchases, it
48 shall attach to its application a copy of the application submitted to the Department of Revenue
49 under G.S. 105-164.14 for a refund of the sales and use tax on the same purchases or a written
50 statement that the purchases were exempt from the tax. An applicant for a refund under this

1 subsection shall provide any information required by the entity administering the tax to
2 substantiate the claim.

3 **SECTION 1.(g)** Use of Proceeds. – The proceeds of a tax levied under this section
4 shall be used as provided in this subsection. The entity administering and collecting the tax may
5 deduct from the gross proceeds of the taxes collected under this act an amount not to exceed three
6 percent (3%) of the gross proceeds to pay for the direct cost of administering and collecting the
7 taxes. The remaining proceeds shall be used for beach nourishment or to construct and improve
8 public infrastructure and facilities or both.

9 **SECTION 1.(h)** Effective Date of Levy. – A tax levied under this section shall
10 become effective on the date specified in the resolution levying the tax. The date shall be the first
11 day of a calendar month and may not be before the first day of the fourth month after the date the
12 resolution is adopted.

13 **SECTION 1.(i)** Repeal. – Repeal or reduction of a tax levied under this section does
14 not affect a liability for a tax that attached before the effective date of the repeal or reduction, nor
15 does it affect a right to a refund of a tax that accrued before the effective date of the repeal or
16 reduction. Any repeal or reduction shall become effective on the first day of a month. Any repeal
17 or reduction may not become effective until the end of the fiscal year in which the repeal
18 resolution is adopted.

19 **SECTION 2.** This act is effective when it becomes law.