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GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

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SENATE BILL DRS45437-MCxf-250

Short Title:	Beaufort Dist. B Occupancy Tax.	(Local)
Sponsors:	Senator Brinson (Primary Sponsor).	
Referred to:		

A BILL TO BE ENTITLED

AN ACT TO AUTHORIZE BEAUFORT COUNTY TO LEVY AN OCCUPANCY TAX IN A TAX DISTRICT COMPRISING ALL AREAS OF THE COUNTY OTHER THAN THE INCORPORATED AREA IN THE CITY OF WASHINGTON.

The General Assembly of North Carolina enacts:

SECTION 1. Beaufort County District B Created. – Beaufort County District B is created as a taxing district. Its jurisdiction consists of that part of Beaufort County that is located outside of the incorporated area of the City of Washington. Beaufort County District B is a body politic and corporate and has the power to carry out the provisions of this act. The Beaufort County Board of Commissioners shall serve ex officio as the governing body of the district, and the officers of the county shall serve as the officers of the governing body of the district. A simple majority of the governing body constitutes a quorum, and approval by a majority of those present is sufficient to determine any matter before the governing body, if a quorum is present.

SECTION 2. Authorization and Scope. – The governing body of Beaufort County District B may levy a room occupancy tax of up to six percent (6%) of the gross receipts derived from the rental of an accommodation within the district that is subject to sales tax imposed by the State under G.S. 105-164.4(a)(3). This tax is in addition to any State or local sales tax.

SECTION 3. Administration. – A tax levied under this act shall be levied, administered, collected, and repealed as provided in G.S. 153A-155 as if Beaufort County District B were a county. The penalties provided in G.S. 153A-155 apply to a tax levied under this act.

SECTION 4. Distribution and Use of Tax Revenue. – Beaufort County District B shall, on a quarterly basis, distribute the net proceeds of the occupancy tax to the Beaufort County District B Tourism Development Authority created pursuant to Section 5 of this act. The Authority shall use at least two-thirds of the funds to promote travel and tourism and shall use the remainder for tourism-related expenditures in the district. In accordance with the North Carolina Constitution and the United States Constitution, the tax proceeds may be used only for the direct benefit of the jurisdiction of Beaufort County District B. None of the proceeds may be used to promote travel or tourism in areas within Beaufort County that are outside of the district or for tourism-related expenditures in the county that are outside of the district.

The following definitions apply in this act:

(1) Net proceeds. – Gross proceeds less the cost to the county of administering and collecting the tax, as determined by the finance officer, not to exceed three percent (3%) of the first five hundred thousand dollars ($500,000) of gross proceeds collected each year and one percent (1%) of the remaining gross receipts collected each year.

(2) Promote travel and tourism. – To advertise or market an area or activity, publish and distribute pamphlets and other materials, conduct market research, or engage in similar promotional activities that attract tourists or business travelers to the area. The term includes administrative expenses incurred in engaging in the listed activities.

(3) Tourism-related expenditures. – Expenditures that, in the judgment of the Tourism Development Authority, are designed to increase the use of accommodations, meeting facilities, or convention facilities in a county or to attract tourists or business travelers to the county. The term includes tourism-related capital expenditures.

SECTION 5.(a) Beaufort County District B Tourism Development Authority. – Appointment and Membership. – When the Beaufort County Board of Commissioners adopts a resolution levying a room occupancy tax under this act, it shall also adopt a resolution creating the Beaufort County District B Tourism Development Authority, which shall be a public authority under the Local Government Budget and Fiscal Control Act. The resolution shall provide for the membership of the Authority, including the members' terms of office, and for the filling of vacancies on the Authority. At least one-third of the members must be individuals who are affiliated with businesses that collect the tax in the district, and at least one-half of the members must be individuals who are currently active in the promotion of travel and tourism in the district. The board of commissioners shall designate one member of the Authority as chair and shall determine the compensation, if any, to be paid to members of the Authority.

The Authority shall meet at the call of the chair and shall adopt rules of procedure to govern its meetings. The Finance Officer for Beaufort County shall be the ex officio finance officer of the Authority.

SECTION 5.(b) Duties. – The Authority shall expend the net proceeds of the tax levied under this act for promoting travel and tourism and for tourism-related expenditures as provided in this act.

SECTION 5.(c) Reports. – The Authority shall report quarterly and at the close of the fiscal year to the Beaufort County Board of Commissioners on its receipts and expenditures for the preceding quarter and for the year in such detail as the board may require.

SECTION 6. G.S. 153A-155(g) reads as rewritten:

"(g) Applicability. – Subsection (c) of this section applies to all counties and county districts that levy an occupancy tax. To the extent subsection (c) conflicts with any provision of a local act, subsection (c) supersedes that provision. The remainder of this section applies only to Alleghany, Anson, Bertie, Brunswick, Buncombe, Burke, Cabarrus, Camden, Carteret, Caswell, Chatham, Cherokee, Chowan, Clay, Craven, Cumberland, Currituck, Dare, Davie, Duplin, Durham, Edgecombe, Forsyth, Franklin, Graham, Granville, Halifax, Haywood, Henderson, Jackson, Madison, Martin, McDowell, Mitchell, Montgomery, Moore, Nash, New Hanover, Northampton, Pasquotank, Pender, Perquimans, Person, Randolph, Richmond, Rockingham, Rowan, Rutherford, Sampson, Scotland, Stanly, Stokes, Swain, Transylvania, Tyrrell, Union, Vance, Warren, Washington, Wayne, Wilson, and Yancey Counties, to Avery County District A, Beaufort County District B, Graham County District G, Harnett County District H, Iredell County District I, New Hanover County District U, Pender County District P, Surry County District S, Watauga County District U, Wilkes County District W, Yadkin County District Y, and the Township of Averasboro in Harnett County and the Ocracoke Township Taxing District."

SECTION 7. This act is effective when it becomes law.