

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1991

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HOUSE BILL 808

Short Title: Ashe Occupancy Tax.

(Local)

Sponsors: Representatives Wilmoth; and Judy Hunt.

Referred to: Finance.

April 15, 1991

A BILL TO BE ENTITLED

1 AN ACT TO AUTHORIZE ASHE COUNTY TO LEVY A ROOM OCCUPANCY
2 TAX.
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4 The General Assembly of North Carolina enacts:

5 Section 1. Occupancy tax. (a) Authorization and scope. The Ashe County Board of
6 Commissioners may by resolution, after not less than 10 days' public notice and after a
7 public hearing held pursuant thereto, levy a room occupancy tax of three percent (3%)
8 of the gross receipts derived from the rental of any room, lodging, or accommodation
9 furnished by a hotel, motel, inn, tourist camp, or similar place within the county that is
10 subject to sales tax imposed by the State under G.S. 105-164.4(a)(3). This tax is in
11 addition to any State or local sales tax. This tax does not apply to accommodations
12 furnished by nonprofit charitable, educational, or religious organizations, or to summer
13 camps for minors.

14 (b) Collection. Every operator of a business subject to the tax levied under this
15 section shall, on and after the effective date of the levy of the tax, collect the tax. This
16 tax shall be collected as part of the charge for furnishing a taxable accommodation. The
17 tax shall be stated and charged separately from the sales records, and shall be paid by
18 the purchaser to the operator of the business as trustee for and on account of the county.
19 The tax shall be added to the sales price and shall be passed on to the purchaser instead
20 of being borne by the operator of the business. The county shall design, print, and
21 furnish to all appropriate businesses and persons in the county the necessary forms for
22 filing returns and instructions to ensure the full collection of the tax.

23 (c) Administration. The county shall administer a tax levied under this section.
24 A tax levied under this section is due and payable to the county finance officer in

1 monthly installments on or before the fifteenth day of the month following the month in
2 which the tax accrues. Every person, firm, corporation, or association liable for the tax
3 shall, on or before the fifteenth day of each month, prepare and render a return on a
4 form prescribed by the county. The return shall state the total gross receipts derived in
5 the preceding month from rentals upon which the tax is levied.

6 A return filed with the county finance officer under this section is not a public
7 record as defined by G.S. 132-1 and may not be disclosed except as required by law.

8 (d) Penalties. A person, firm, corporation, or association who fails or refuses to
9 file the return required by this section shall pay a penalty of ten dollars (\$10.00) for
10 each day's omission. In case of failure or refusal to file the return or pay the tax for a
11 period of 30 days after the time required for filing the return or for paying the tax, there
12 shall be an additional tax, as a penalty, of five percent (5%) of the tax due in addition to
13 any other penalty, with an additional tax of five percent (5%) for each additional month
14 or fraction thereof until the tax is paid. The board of commissioners may, for good
15 cause shown, compromise or forgive the additional tax penalties imposed by this
16 subsection.

17 Any person who willfully attempts in any manner to evade a tax imposed
18 under this section or who willfully fails to pay the tax or make and file a return shall, in
19 addition to all other penalties provided by law, be guilty of a misdemeanor and shall be
20 punishable by a fine not to exceed one thousand dollars (\$1,000), imprisonment not to
21 exceed six months, or both.

22 (e) Use of tax revenue. Ashe County shall, on a quarterly basis, distribute
23 one-third of the net proceeds of a tax levied under this section to the Ashe County
24 Chamber of Commerce. The chamber of commerce may use funds distributed to it
25 under this subsection only to promote travel and tourism in Ashe County. Ashe County
26 may use the remaining two-thirds of the net proceeds of the occupancy tax for any
27 public purpose.

28 (f) Effective date of levy. A tax levied under this section shall become
29 effective on the date specified in the resolution levying the tax. That date must be the
30 first day of a calendar month, however, and may not be earlier than the first day of the
31 second month after the date the resolution is adopted.

32 (g) Repeal. A tax levied under this section may be repealed by a resolution
33 adopted by the Ashe County Board of Commissioners. Repeal of a tax levied under this
34 section shall become effective on the first day of a month and may not become effective
35 until the end of the fiscal year in which the repeal resolution was adopted. Repeal of a
36 tax levied under this section does not affect a liability for a tax that was attached before
37 the effective date of the repeal, nor does it affect a right to a refund of a tax that accrued
38 before the effective date of the repeal.

39 Sec. 2. This act is effective upon ratification.