

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2013

FILED SENATE  
May 19, 2014  
S.B. 795  
PRINCIPAL CLERK

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SENATE DRS15414-MC~~x~~-230 (03/21)

Short Title: Local Option Sales Tax. (Local)

Sponsors: Senator Brown (Primary Sponsor).

Referred to:

1 A BILL TO BE ENTITLED  
2 AN ACT TO AUTHORIZE COUNTIES TO LEVY AN ADDITIONAL ONE-QUARTER  
3 CENT SALES AND USE TAX FOR SCHOOL CONSTRUCTION.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** Subchapter VIII of Chapter 105 of the General Statutes is amended  
6 by adding a new Article to read:

7 "Article 47.

8 "Second One-Quarter Cent (1/4¢) Local Government Sales and Use Tax.

9 **§ 105-539. Short title.**

10 This Article is the Second One-Quarter Cent (1/4¢) Local Government Sales and Use Tax  
11 Act.

12 **§ 105-540. Limitations.**

13 This Article applies only to counties that levy the first one-cent (1¢) local sales and use tax  
14 under Article 39 of this Chapter or under Chapter 1096 of the 1967 Session Laws, the first  
15 one-half cent (1/2¢) local sales and use tax under Article 40 of this Chapter, and the second  
16 one-half cent (1/2¢) local sales and use tax under Article 42 of this Chapter.

17 **§ 105-541. Levy.**

18 (a) Authority. – If the majority of those voting in a referendum held pursuant to this  
19 Article vote for the levy of the tax, the board of commissioners of the county may, by  
20 resolution and after 10 days' public notice, levy a local sales and use tax at a rate of one-quarter  
21 percent (1/4%).

22 (b) Vote. – The board of commissioners of a county may direct the county board of  
23 elections to conduct an advisory referendum on the question of whether to levy a local sales  
24 and use tax in the county as provided in this Article. The election shall be held in accordance  
25 with the procedures of G.S. 163-287.

26 (c) Ballot Question. – The form of the question to be presented on a ballot for a special  
27 election concerning the levy of the tax authorized by this Article shall be:

28 " FOR  AGAINST

29 Local sales and use tax at the rate of one-quarter percent (1/4%) in addition to the current  
30 local sales and use taxes, to be used only for school construction or renovation, for the purchase  
31 of land or facilities for schools, and to pay indebtedness incurred by the county for these  
32 purposes."

33 **§ 105-542. Administration.**

34 Except as provided in this Article, the adoption, levy, collection, administration, and repeal  
35 of these additional taxes must be in accordance with Article 39 of this Chapter. G.S. 105-468.1  
36 is an administrative provision that applies to this Article. A tax levied under this Article does



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1 not apply to the sales price of food that is exempt from tax pursuant to G.S. 105-164.13B or to  
2 the sales price of a bundled transaction taxable pursuant to G.S. 105-467(a)(5a). The Secretary  
3 shall not divide the amount allocated to a county between the county and the municipalities  
4 within the county.

5 **"§ 105-543. Use.**

6 Counties may use the proceeds of a tax levied under this Article only for the purposes listed  
7 in the ballot question used in the referendum pursuant to G.S. 105-541(c)."

8 **SECTION 2.** A tax levied under Article 47 of Chapter 105 of the General Statutes,  
9 as enacted by this act, does not apply to construction materials purchased to fulfill a lump-sum  
10 or unit-price contract entered into or awarded before the effective date of the levy or entered  
11 into or awarded pursuant to a bid made before the effective date of the levy when the  
12 construction materials would otherwise be subject to the tax levied under Article 47 of Chapter  
13 105 of the General Statutes.

14 **SECTION 3.** This act applies to Onslow County only.

15 **SECTION 4.** This act is effective when it becomes law.