GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2001

SESSION LAW 2001-264
HOUSE BILL 1448

AN ACT TO PROVIDE UNIFORM PENALTIES FOR LOCAL MEALS TAXES.

The General Assembly of North Carolina enacts:

SECTION 1. Article 7 of Chapter 153A of the General Statutes is amended by adding a new section to read:

"**§ 153A-154.1. Uniform penalties for local meals taxes.**

(a) Penalties. – Notwithstanding any other provision of law, the civil and criminal penalties that apply to State sales and use taxes under Chapter 105 of the General Statutes apply to local meals taxes. The governing board of a taxing county has the same authority to waive the penalties for a local meals tax that the Secretary of Revenue has to waive the penalties for State sales and use taxes.

(b) Scope. – This section applies to every county authorized by the General Assembly to levy a meals tax. As used in this section, the term 'meals tax' means a tax on prepared food and drink."

SECTION 2. Article 9 of Chapter 160A of the General Statutes is amended by adding a new section to read:

"**§ 160A-214.1. Uniform penalties for local meals taxes.**

(a) Penalties. – Notwithstanding any other provision of law, the civil and criminal penalties that apply to State sales and use taxes under Chapter 105 of the General Statutes apply to local meals taxes. The governing board of a taxing city has the same authority to waive the penalties for a meals tax that the Secretary of Revenue has to waive the penalties for State sales and use taxes.

(b) Scope. – This section applies to every city authorized by the General Assembly to levy a meals tax.

(c) Definitions. – The following definitions apply in this section:

(1) City. – A municipality.

(2) Meals tax. – A tax on prepared food and drink."

SECTION 3. Any provision of a local act that conflicts with G.S. 153A-154.1 or G.S. 160A-214.1 is repealed.

SECTION 4. This act becomes effective October 1, 2001.

In the General Assembly read three times and ratified this the 26th day of June, 2001.

s/ Marc Basnight
President Pro Tempore of the Senate

s/ James B. Black
Speaker of the House of Representatives

s/ Michael F. Easley
Governor

Approved 10:55 a.m. this 4th day of July, 2001