

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007

H

1

HOUSE BILL 64

Short Title: Extend Local Sales Tax Earmarking for Schools. (Public)

Sponsors: Representatives Yongue, Johnson, Jones, Lucas (Primary Sponsors); Alexander, Barnhart, Bell, Carney, Coleman, England, Folwell, Goforth, Hall, Howard, Pierce, Wainwright, West, Wilkins, Williams, Wray, Adams, Blackwood, Brubaker, Faison, Fisher, Glazier, Harrison, McLawhorn, Mobley, Rapp, Saunders, Walend, and E. Warren.

Referred to: Rules, Calendar, and Operations of the House.

February 6, 2007

A BILL TO BE ENTITLED

1 AN ACT TO EXTEND THE EARMARKING OF A PORTION OF THE PROCEEDS
2 OF THE FIRST AND SECOND ONE-HALF CENT LOCAL SALES AND USE
3 TAXES FOR AN ADDITIONAL TEN YEARS.
4

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** G.S. 105-487(a) reads as rewritten:

7 "(a) Except as provided in subsection (c), forty percent (40%) of the revenue
8 received by a county from additional one-half percent (1/2%) sales and use taxes levied
9 under this Article during the first five fiscal years in which the additional taxes are in
10 effect in the county and thirty percent (30%) of the revenue received by a county from
11 these taxes in the next ~~23~~33 fiscal years in which the taxes are in effect in the county
12 may be used by the county only for public school capital outlay purposes as defined in
13 G.S. 115C-426(f) or to retire any indebtedness incurred by the county for these
14 purposes."

15 **SECTION 2.** G.S. 105-502(a) reads as rewritten:

16 "(a) Sixty percent (60%) of the revenue received by a county under this Article
17 during the first ~~25~~35 fiscal years in which the tax is in effect may be used by the county
18 only for public school capital outlay purposes as defined in G.S. 115C-426(f) or to retire
19 any indebtedness incurred by the county for these purposes during the period beginning
20 five years prior to the date the taxes took effect."

21 **SECTION 3.** This act is effective when it becomes law.