

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2007**

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**SENATE BILL 384  
Finance Committee Substitute Adopted 6/20/07**

Short Title: Granville County Occupancy Tax Modifications.

(Local)

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Sponsors:

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Referred to:

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February 28, 2007

A BILL TO BE ENTITLED

1 AN ACT TO AUTHORIZE GRANVILLE COUNTY TO LEVY AN ADDITIONAL  
2 ROOM OCCUPANCY AND TOURISM DEVELOPMENT TAX AND TO  
3 EXTEND THE SUNSET ON THE CURRENT DISTRIBUTION FORMULA.  
4

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** Section 1 of Chapter 454 of the 1993 Session Laws, as  
7 amended by S.L. 2000-103, is amended by adding a new subsection to read:

8 "(a1) Authorization of Additional Tax. – In addition to the tax authorized by  
9 subsection (a) of this section, the Granville County Board of Commissioners may levy  
10 an additional room occupancy tax of one percent (1%) of the gross receipts derived  
11 from the rental of accommodations taxable under subsection (a) of this section. The  
12 levy, collection, administration, and repeal of the tax authorized by this subsection shall  
13 be in accordance with the provisions of this section. Granville County may not levy a  
14 tax under this subsection unless it also levies the tax authorized under subsection (a) of  
15 this section."

16 **SECTION 2.** Section 1(e) of Chapter 454 of the 1993 Session Laws, as  
17 amended by S.L. 2000-103, reads as rewritten:

18 "(e) Distribution and Use of Tax Revenue.

19 The county shall, on a quarterly basis, remit the net proceeds of the occupancy tax to  
20 the Granville County Tourism Development Authority. The Authority shall use at least  
21 two-thirds of the funds remitted to it under this subsection ~~to promote travel and tourism~~  
22 ~~in~~ for financing capital expenditures for tourism-related projects in Granville County and  
23 shall use the remainder for tourism-related expenditures to promote travel and tourism.

24 The following definitions apply in this subsection:

- 25 (1) Net proceeds. – Gross proceeds less the cost to the county of  
26 administering and collecting the tax, as determined by the finance  
27 officer, not to exceed three percent (3%) of the gross proceeds.
- 28 (2) Promote travel and tourism. – To advertise or market an area or  
29 activity, publish and distribute pamphlets and other materials, conduct

1 market research, or engage in similar promotional activities that attract  
2 tourists or business travelers to the county. The term includes  
3 administrative expenses incurred in engaging in the listed activities.

- 4 (3) Tourism-related expenditures. – Expenditures that, in the judgment of  
5 the Authority, are designed to increase the use of lodging facilities in  
6 the county or to attract tourists or business travelers to the county. The  
7 term includes tourism-related capital expenditures."

8 **SECTION 3.** Section 1(e) of Chapter 454 of the 1993 Session Laws, as  
9 amended by S.L. 2000-103, and as amended by Section 2 of this act, reads as rewritten:

10 "(e) Distribution and Use of Tax Revenue.

11 The county shall, on a quarterly basis, remit the net proceeds of the occupancy tax to  
12 the Granville County Tourism Development Authority. The Authority shall use at least  
13 two-thirds of the funds remitted to it under this subsection ~~for financing capital~~  
14 ~~expenditures for tourism-related projects~~ to promote travel and tourism in Granville  
15 County and shall use the remainder ~~to promote travel and tourism~~ for tourism-related  
16 expenditures.

17 The following definitions apply in this subsection:

- 18 (1) Net proceeds. – Gross proceeds less the cost to the county of  
19 administering and collecting the tax, as determined by the finance  
20 officer, not to exceed three percent (3%) of the gross proceeds.  
21 (2) Promote travel and tourism. – To advertise or market an area or  
22 activity, publish and distribute pamphlets and other materials, conduct  
23 market research, or engage in similar promotional activities that attract  
24 tourists or business travelers to the county. The term includes  
25 administrative expenses incurred in engaging in the listed activities.  
26 (3) Tourism-related expenditures. – Expenditures that, in the judgment of  
27 the Authority, are designed to increase the use of lodging facilities in  
28 the county or to attract tourists or business travelers to the county. The  
29 term includes tourism-related capital expenditures."

30 **SECTION 4.** Sections 1 and 4 of this act are effective when they become  
31 law, and a tax levied under Section 1 may not become effective before October 1, 2007.  
32 Section 2 of this act becomes effective October 1, 2007, and applies to taxes paid on or  
33 after that date. The remainder of this act becomes effective October 1, 2014, and  
34 applies to taxes paid on or after that date.