

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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SENATE BILL 1450

Short Title: Community Festival Tax Exemption.

(Public)

Sponsors: Senator Ballantine.

Referred to: Finance.

May 28, 1998

A BILL TO BE ENTITLED

**AN ACT TO PROVIDE A GROSS RECEIPTS TAX EXEMPTION FOR CERTAIN
NONPROFIT COMMUNITY FESTIVALS.**

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-37.1(a) reads as rewritten:

"(a) Every person, firm, or corporation engaged in the business of giving, offering or managing any form of entertainment or amusement not otherwise taxed or specifically exempted in this Article, for which an admission is charged, shall pay an annual license tax of fifty dollars (\$50.00) for each room, hall, tent or other place where such admission charges are made.

In addition to the license tax levied above, such person, firm, or corporation shall pay an additional tax upon the gross receipts of such business at the rate of three percent (3%). Reports shall be made to the Secretary of Revenue, in such form as he may prescribe, within the first 10 days of each month covering all such gross receipts for the previous month, and the additional tax herein levied shall be paid monthly at the time such reports are made. The annual license tax herein levied shall be treated as an advance payment of the tax upon gross receipts herein levied, and the annual license tax shall be applied as a credit upon or advance payment of the gross receipts tax.

Every person, firm, or corporation giving, offering, or managing any dance or athletic contest of any kind, except high school and elementary school athletic contests, for which

1 an admission fee in excess of fifty cents (50¢) is charged, shall pay an annual license tax
2 of fifty dollars (\$50.00) for each location where such charges are made, and, in addition,
3 a tax upon the gross receipts derived from admission charges at the rate of three percent
4 (3%). The additional tax upon gross receipts shall be levied and collected in accordance
5 with such regulations as may be made by the Secretary of Revenue. No tax shall be
6 levied on admission fees for high school and elementary school contests.