

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2023

H.B. 353
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HOUSE PRINCIPAL CLERK

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HOUSE BILL DRH30134-NIxf-42

Short Title: Wilkes County Occupancy Tax. (Local)

Sponsors: Representative Elmore.

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO REPEAL THE OCCUPANCY TAXES FOR THE TOWN OF WILKESBORO
3 AND WILKES COUNTY DISTRICT K, TO ALLOW WILKES COUNTY TO LEVY AN
4 OCCUPANCY TAX OF SIX PERCENT, AND TO CREATE THE WILKES COUNTY
5 TOURISM DEVELOPMENT AUTHORITY.

6 The General Assembly of North Carolina enacts:

7 **SECTION 1.** Part IX of S.L. 2001-439 is repealed.

8 **SECTION 2.** Sections 8 and 9 of S.L. 2010-78 are repealed.

9 **SECTION 3.** Occupancy tax. – (a) Authorization and Scope. – The Wilkes County
10 Board of Commissioners may levy a room occupancy tax of up to six percent (6%) of the gross
11 receipts derived from the rental of an accommodation within the county that is subject to sales
12 tax imposed by the State under G.S. 105-164.4(a)(3). This tax is in addition to any State or local
13 sales tax.

14 **SECTION 3.(b)** Administration. – A tax levied under this section shall be levied,
15 administered, collected, and repealed as provided in G.S. 153A-155. The penalties provided in
16 G.S. 153A-155 apply to a tax levied under this section.

17 **SECTION 3.(c)** Distribution and Use of Tax Revenue. – Wilkes County shall, on a
18 quarterly basis, remit the net proceeds of the occupancy tax to the Wilkes County Tourism
19 Development Authority. The Authority shall use at least two-thirds of the funds to promote travel
20 and tourism and shall use the remainder for tourism-related expenditures in the county.

21 The following definitions apply in this subsection:

22 (1) Net proceeds. – Gross proceeds less the cost to the county of administering
23 and collecting the tax, as determined by the finance officer, not to exceed three
24 percent (3%) of the first five hundred thousand dollars (\$500,000) of gross
25 proceeds collected each year and one percent (1%) of the remaining gross
26 receipts collected each year.

27 (2) Promote travel and tourism. – To advertise or market an area or activity,
28 publish and distribute pamphlets and other materials, conduct market research,
29 or engage in similar promotional activities that attract tourists or business
30 travelers to the area. The term includes administrative expenses incurred in
31 engaging in the listed activities.

32 (3) Tourism-related expenditures. – Expenditures that, in the judgment of the
33 Tourism Development Authority, are designed to increase the use of
34 accommodations, meeting facilities, or convention facilities in the county or
35 to attract tourists or business travelers to the county. The term includes
36 tourism-related capital expenditures.



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1 **SECTION 4.** Tourism Development Authority. – (a) Appointment and Membership.
2 – When the Wilkes County Board of Commissioners adopts a resolution levying a room
3 occupancy tax under this act, it shall also adopt a resolution creating a county Tourism
4 Development Authority, which shall be a public authority under the Local Government Budget
5 and Fiscal Control Act. The resolution shall provide for the membership of the Authority,
6 including the members' terms of office, and for the filling of vacancies on the Authority. The
7 county Tourism Development Authority shall consist of the following members:

- 8 (1) Two members appointed by the Wilkes County Board of Commissioners, one
9 of whom must be an individual affiliated with a business that collects taxes in
10 the county and another who must be an individual currently active in the
11 promotion of travel and tourism in the county.
- 12 (2) Two members appointed by the Wilkesboro Town Council, one of whom must
13 be an individual affiliated with a business that collects taxes in Wilkesboro
14 and another who must be an individual currently active in the promotion of
15 travel and tourism in Wilkesboro.
- 16 (3) One member appointed by the North Wilkesboro Board of Commissioners
17 who is (i) an individual affiliated with a business that collects taxes in North
18 Wilkesboro or (ii) an individual currently active in the promotion of travel and
19 tourism in North Wilkesboro.
- 20 (4) One member appointed by the Ronda Board of Commissioners who is (i) an
21 individual affiliated with a business that collects taxes in Ronda or (ii) an
22 individual currently active in the promotion of travel and tourism in Ronda.

23 The county Tourism Development Authority may, by majority vote, appoint two
24 additional members to the Authority as follows:

- 25 (5) At least one of any additional members appointed to the Authority under this
26 section must be an individual affiliated with a business that collects taxes in
27 Wilkes County or a municipality within Wilkes County.
- 28 (6) Any additional member appointed to the Authority must be (i) an individual
29 affiliated with a business that collects taxes in Wilkes County or a
30 municipality within Wilkes County or (ii) an individual currently active in the
31 promotion of travel and tourism in Wilkes County or a municipality within
32 Wilkes County.

33 The Wilkes County Board of Commissioners shall designate one member of the
34 Authority as chair and shall determine the compensation, if any, to be paid to members of the
35 Authority. The Authority shall meet at the call of the chair and shall adopt rules of procedure to
36 govern its meetings. The Finance Officer for Wilkes County shall be the ex officio finance officer
37 of the Authority.

38 **SECTION 4.(b)** Duties. – The Authority shall expend the net proceeds of the tax
39 levied under this act for promoting travel and tourism and for tourism-related expenditures as
40 provided in this act.

41 **SECTION 4.(c)** Reports. – The Authority shall report quarterly and at the close of
42 the fiscal year to the Wilkes County Board of Commissioners on its receipts and expenditures
43 for the preceding quarter and for the year in such detail as the Board may require.

44 **SECTION 5.** G.S. 153A-155(g) reads as rewritten:

45 "(g) Applicability. – Subsection (c) of this section applies to all counties and county
46 districts that levy an occupancy tax. To the extent subsection (c) conflicts with any provision of
47 a local act, subsection (c) supersedes that provision. The remainder of this section applies only
48 to Alleghany, Anson, Brunswick, Buncombe, Burke, Cabarrus, Camden, Carteret, Caswell,
49 Chatham, Cherokee, Chowan, Clay, Craven, Cumberland, Currituck, Dare, Davie, Duplin,
50 Durham, Edgecombe, Forsyth, Franklin, Graham, Granville, Halifax, Haywood, Henderson,
51 Jackson, Madison, Martin, McDowell, Mitchell, Montgomery, Moore, Nash, New Hanover,

1 Northampton, Pasquotank, Pender, Perquimans, Person, Randolph, Richmond, Rockingham,
2 Rowan, Rutherford, Sampson, Scotland, Stanly, Swain, Transylvania, Tyrrell, Vance,
3 Washington, Wayne, and Wilson Counties, to Harnett County District H, New Hanover County
4 District U, Surry County District S, Watauga County District U, ~~Wilkes County District K,~~
5 ~~County~~, Yadkin County District Y, and the Township of Averagesboro in Harnett County and the
6 Ocracoke Township Taxing District."

7 **SECTION 6.** G.S. 160A-215(g) reads as rewritten:

8 "(g) Applicability. – Subsection (c) of this section applies to all cities that levy an
9 occupancy tax. To the extent subsection (c) conflicts with any provision of a local act, subsection
10 (c) supersedes that provision. The remainder of this section applies only to Beech Mountain
11 District W, to the Cities of Belmont, Conover, Eden, Elizabeth City, Gastonia, Goldsboro,
12 Greensboro, Hickory, High Point, Jacksonville, Kings Mountain, Lake Santeetlah, Lenoir,
13 Lexington, Lincolnton, Lowell, Lumberton, Monroe, Mount Airy, Mount Holly, Reidsville,
14 Roanoke Rapids, Salisbury, Sanford, Shelby, Statesville, Washington, and Wilmington, to the
15 Towns of Ahoskie, Beech Mountain, Benson, Bermuda Run, Blowing Rock, Boiling Springs,
16 Boone, Burgaw, Carolina Beach, Carrboro, Cooleemee, Cramerton, Dallas, Dobson, Elkin,
17 Fontana Dam, Franklin, Grover, Hillsborough, Jonesville, Kenly, Kure Beach, Leland,
18 McAdenville, Mocksville, Mooresville, Murfreesboro, North Topsail Beach, Pembroke, Pilot
19 Mountain, Ranlo, Robbinsville, Selma, Smithfield, St. Pauls, Swansboro, Troutman, Tryon, West
20 Jefferson, ~~Wilkesboro~~, ~~Wrightsville Beach~~, Yadkinville, Yanceyville, to the municipalities in
21 Avery and Brunswick Counties, and to Saluda District D."

22 **SECTION 7.** The governing body of Wilkes County District K, the Wilkes County
23 Board of Commissioners, the Wilkesboro Town Council, the North Wilkesboro Board of
24 Commissioners, and the Ronda Board of Commissioners shall adopt any resolutions or modify
25 any adopted resolutions, as needed, to carry out the provisions of this act.

26 **SECTION 8.** This act does not affect the rights or liabilities of the State, a taxpayer,
27 or another person arising under a statute amended by this act before the effective date of its
28 amendment, nor does it affect the right to any refund or credit of a tax that accrued under the
29 amended statute before the effective date of its amendment.

30 **SECTION 9.** Section 1 of this act becomes effective July 1, 2023. The remainder of
31 this act is effective when it becomes law.