

No. 101PA24

FIRST JUDICIAL DISTRICT

SUPREME COURT OF NORTH CAROLINA

GERALD COSTANZO, et al.,

Plaintiffs-Appellants,

v.

CURRITUCK COUNTY, NORTH
CAROLINA, et al.,

Defendants-Appellees.

From Currituck County

**BRIEF OF *AMICI CURIAE* NORTH CAROLINA TRAVEL AND
TOURISM COALITION, NORTH CAROLINA RESTAURANT AND
LODGING ASSOCIATION, NORTH CAROLINA HOSPITALITY
ALLIANCE, NORTH CAROLINA VACATION RENTAL
MANAGERS ASSOCIATION, AND VACATION RENTAL
MANAGERS ASSOCIATION**

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ASSOCIATION, AND VACATION RENTAL MANAGERS ASSOCIATION**

INTERESTS OF *AMICI CURIAE*¹

Amici curiae represent a coalition of groups who are the primary organizations promoting tourism and the interests of the tourism industry in North Carolina. They include the organizations who have closely worked on occupancy tax statutes in North Carolina for decades, and represent the interests of those who

¹ Pursuant to N.C. App. R. 28.1, amici curiae state that no person or entity other than amici curiae, its members, or its counsel, directly or indirectly wrote this brief or contributed any money for its preparation.

pay occupancy taxes, and who want to ensure that occupancy taxes are used to benefit and promote tourism in North Carolina.

1. North Carolina Travel and Tourism Coalition

The North Carolina Travel and Tourism Coalition (NCTTC) is a non-profit trade association that includes as members local tourism authorities, businesses, all of North Carolina's top tier professional sports teams, industries, major North Carolina resorts, attractions, convention and visitor bureaus, and tourism-related groups and associations across North Carolina. Founded in 1991, the NCTTC has over thirty members. The members of the NCTTC include:

- Alamance County Visitors Bureau
- Explore Asheville
- Biltmore
- Carolina Hurricanes
- Cabarrus County Convention and Visitors Bureau
- Carolina Panthers
- Charlotte Hornets
- Charlotte Motor Speedway
- Charlotte Regional Visitors Authority
- Crystal Coast Tourism Authority
- Discovery Durham
- Greater Raleigh Convention and Visitors Bureau
- Greensboro Area Convention and Visitors Bureau

- The Omni Grove Park Inn Resort & Spa
- Heart of North Carolina Visitors Bureau
- Live Nation
- Explore Nash County
- NC Hospitality Alliance
- North Carolina Restaurant and Lodging Association
- North Carolina Vacation Rental Managers Association
- Orange County Visitors Bureau
- Pinehurst Resort & Spa
- Rutherford County Tourism Development Authority
- Summit Hospitality Group, Ltd.
- Turnpike Properties, Inc.
- Visit Lake Norman
- Visit Winston-Salem
- Wilmington and Beaches Convention and Visitors Bureau

The NCTTC and its individual members are committed to promoting policies that encourage the growth and development of North Carolina's travel, tourism and hospitality industry, which is essential to the economy in every county in North Carolina. NCTTC works with all interested parties to develop policies and goals for our State that impact the travel and tourism industry and advocates for the adoption

of policies designed to improve North Carolina's economy through the travel and tourism industry.

2. North Carolina Restaurant and Lodging Association

The North Carolina Restaurant and Lodging Association (NCRLA) is a leading advocate for the hospitality and tourism industry in North Carolina. It supports its' members interests through legislative representation with the goal of protecting and maintaining tourism funding, taxation, alcohol beverage control, and workforce issues.

3. North Carolina Hospitality Alliance

The North Carolina Hospitality Alliance (NCHA) is a non-profit corporation that strives to improve North Carolina's quality of life by promoting and protecting travel and tourism at both the state and local level. Travel and tourism provides numerous benefits including jobs, tax revenue, economic development opportunities, natural and cultural resources, and recreational opportunities. Its mission is to aid in the development of policy to ensure all our communities reap the benefits of having a strong travel and tourism industry.

4. North Carolina Vacation Rental Managers Association

The North Carolina Vacation Rental Managers Association (NCVRMA) is an association of management companies and their affiliates who specialize in vacation rental management across North Carolina.

5. Vacation Rental Managers Association

The Vacation Rental Managers Association (VRMA) is the leading and largest global community for short-term vacation rental professionals. It provides education, information, connection and advocacy for its members, promotes the value of the short-term vacation rental experience to the public, and serves as the collective voice driving industry growth and professionalism.

INTEREST AND POSITION OF AMICI IN THIS APPEAL

These amici do not have a direct stake in this particular dispute. However, because of their extensive experience, knowledge, and commitment to the tourism industry in our State, they are concerned on behalf of their members, stakeholders, and the public about the potential implications of this case. This is also why the North Carolina Travel and Tourism Coalition submitted an affidavit when this case was before the trial court (R p 175), and why a group of amici filed a brief at the Court of Appeals.

Occupancy tax statutes are special taxes levied for a particular purpose—the support and development of tourism in a specific city or county. The undisputed evidence in this case is that Currituck County has been spending a portion of its occupancy tax revenues for general services, which is not consistent with that county’s occupancy tax legislation.

Moreover, while each city and county that has statutory authority to collect occupancy taxes does so under individual statutes that apply to their own jurisdiction, the vast majority of these statutes have similar language that derive from a set of carefully developed and longstanding Occupancy Tax Guidelines supported by NCTTC and used by the Finance Committee and the Occupancy Tax Subcommittee of the North Carolina General Assembly in reviewing and approving draft occupancy tax legislation.

The position of Currituck County seeks to allow their County Commissioners to disregard the statutory limitations and conditions on their spending authority, render them a nullity, and simply transfer occupancy tax revenues into their general fund. That is clearly not correct under the law.

The position of *amici* is that the decision of the Court of Appeals is sound and should be affirmed. The Currituck County statute does not authorize the spending of occupancy tax proceeds for public safety services and equipment. Those are general services which all local governments must provide.

Moreover, *amici* urge that any decision in this appeal must be careful not to upset the hundreds of occupancy tax statutes that apply to other jurisdictions, where no one has ever argued or contemplated that occupancy tax revenues may simply be transferred to a general fund for spending on general public services.

FACTS

The relevant facts of this matter are set forth in Plaintiff's New Brief. It should be noted, however, that amicus NCTTC submitted an affidavit to the trial court in this matter, which appears in the Record on Appeal. (R p. 175). This affidavit provided evidence on the history and purposes of occupancy tax legislation in North Carolina, and explained why the NCTTC believed Currituck's proposed interpretation of its occupancy tax statute to allow the spending of occupancy tax revenues on general public services as "tourism-related expenditures" is simply wrong.

ARGUMENT

I. Occupancy Taxes Are Special Taxes for a Special Purpose, Subject to Careful Scrutiny by the General Assembly and Stakeholders.

Occupancy taxes, which are special taxes levied on hotel and rental accommodations, have grown significantly in North Carolina over the past forty years. These taxes are not enacted pursuant to a general statutory authorization. Instead, only local governments that have received special authorization via a local act can levy these taxes. There are now hundreds of these local acts in North Carolina.

It is also important to note that the tourism industry businesses who are paying occupancy taxes are not exempt from paying the sales taxes and local taxes that all other local businesses in their jurisdictions pay. Hotels and rental accommodations

also generate significant amounts of these separate taxes which can make their way to local governments for general purpose use.

Amici, and especially NCTTC through its members and paid advocates, has been actively involved since 1991 in advocating for legislation that invests occupancy tax proceeds in the beneficial use of growing the tourism economy in North Carolina. Notably, the occupancy tax is the only tax specifically targeting an industry where that industry is not opposed to the additional tax, as long as the proceeds of the tax are reinvested in tourism promotion or for tourism related expenditures.

NCTCC supports an established statement of public policy known as the “Occupancy Tax Guidelines” (“Guidelines”) which set out a model for the effective use of occupancy tax proceeds. A copy of the Guidelines is attached to this brief. (App. 1). The Guidelines are a published policy statement and are widely recognized in addressing legislation authorizing local occupancy taxes. Many of the principles contained in the Guidelines are similar to those that were established by the House Finance Committee in 1993, which are designed to make such legislation uniform across the state.

In 1997, the General Assembly enacted uniform municipal and county administrative provisions for occupancy tax legislation – G.S. 153A-155 and G.S.160A-215. These provisions, which adopted many of the Guideline tenets,

provide uniformity in areas of levy, administration, collection, repeal, and penalties. Subsequently, the House Finance Committee established the Occupancy Tax Subcommittee, which regularly reviews occupancy tax legislation against these tenets and looks for the inclusion of certain uniform provisions within individual occupancy tax legislation.

NCTTC has worked closely with the Finance Committee and its Occupancy Tax Subcommittee and all members of the General Assembly, representing the views of the tourism industry on legislative matters involving occupancy tax issues. The Guidelines have provided a formative foundation of review for all occupancy tax legislation coming before the General Assembly. As a result, all occupancy tax legislation is very carefully scrutinized and crafted with a deliberate intent in mind. The legislation for an individual jurisdiction, such as for Currituck County in this case, is not enacted in a vacuum, but with knowledge of the hundreds of other occupancy tax statutes which exist.

II. The Guidelines for Occupancy Tax Legislation Seek Statutes That Require Expenditures Be Designed To “Increase” The Use of Lodging and Similar Facilities By “Attracting” More Tourists.

The introduction of the Guidelines document sets forth much of same history related above. The Guidelines further note that the Occupancy Tax Subcommittee “looks for the inclusion of the following uniform provisions in the bills it considers”, which includes these provisions relevant to this appeal:

Use – At least two-thirds of the proceeds must be used to promote travel and tourism and the remainder must be used for tourism-related expenditures, which may include beach renourishment. However, local governments in coastal counties may allocate up to 50% of occupancy tax proceeds for beach renourishment, so long as all remaining proceeds are used for tourism promotion and provided that the use of occupancy tax proceeds for beach nourishment is limited by either a statutory cap or sunset provision.

Definitions. The terms “net proceeds”, “promote travel and tourism”, “tourism-related expenditures”, and “beach nourishment” are defined terms:

...

Promote travel and tourism – To advertise or market an area or activity, publish and distribute pamphlets and other materials, conduct market research, or engage in similar promotional activities that attract tourists or business travelers to the area; the term includes administrative expenses incurred in engaging in these activities.

Tourism-related expenditures – Expenditures that, in the judgment of the Tourism Development Authority, are designed to increase the use of lodging facilities, meeting facilities, and convention facilities in a city/county by attracting tourists or business travelers to the city/county. The term includes tourism-related capital expenditures.

...

Administration. The net revenues must be administered by a local tourism promotion agency, typically referred to as a “Tourism Development Authority,” that has the authority to determine how tax proceeds will be used, is created by a local ordinance, and at least ½ of the members must be currently active in the promotion of travel and tourism in the taxing district and 1/3 of the members must be affiliated with organizations that collect the tax.

(App. 1-2).

Each jurisdiction that has the authority to levy occupancy taxes does so pursuant to the local acts adopted specifically for that jurisdiction. Not every statute is identical, and the Legislature maintains a document tracking these statutes and to the extent to which they conform with the Guidelines. The document is cited by URL in the summary judgment materials in the Record on Appeal (R p. 151) and the latest version of the document is also attached to this brief. (App. 3) (“Occupancy Tax Overview” As this lengthy document reveals, many of these authorizing statutes conform to the Guidelines in whole or in part.

III. The General Assembly Knows How to Pass Statutes That Deviate From The Guidelines, and Has Done So in the Past.

Important to note here, in almost every occupancy tax statute across the State, occupancy tax revenue is *not* general fund revenue. Only three jurisdictions in the State (Cleveland, Hyde, and Hertford County) may simply use their revenue for any lawful public purpose. In Cleveland County for example, their occupancy tax legislation states: “Use of tax revenue. Cleveland County may use the proceeds of the occupancy tax for any public purpose.” 1989 N.C. Sess. Laws 173.² Hyde’s County’s original provision was identical: “Use of tax revenue. Hyde County may use the proceeds of the occupancy tax for any public purpose.” 1991 N.C. Sess. Laws 230. Hyde’s statute was later amended to require 90% of revenue collected

² Cleveland’s statute had a minor amendment in 2007 which did not alter this provision. 2007 N.C. Sess. Laws. 527 Sec. 21(aa).

on the mainland to be spent on the mainland, but did not change the provision that the funds can be spent on “any public purpose.” 1991 N.C. Sess. Laws 806.³ Hertford’s statute provides “Hertford County may use the proceeds of a tax levied under this section for any lawful purpose.” 1987 N.C. Sess. Laws 979.⁴

A few occupancy tax statutes allow a jurisdiction to spend a *portion* of occupancy tax revenue for any purpose. In Ashe County, one-third of collections can be spent “only to promote travel and tourism” in the county, but may use “the remaining two-thirds of the net proceeds of the occupancy tax for any public purpose.” 1991 Sess. Laws 163.⁵ Similarly, the Town of Columbus may spend one-half of their receipts “for any public purpose.” 1991 N.C. Sess. Laws 632. And Lee County’s tax is to be used for a Community Resource Center, with any excess collection being allowed to be used for “any lawful purpose.” 1987 N.C. Sess. Laws 538.⁶

Lastly, Durham County and the City of Durham (under a sharing formula) have been allowed to spend a portion of their revenue “for any purpose authorized

³ Hyde’s statute had a minor amendment in 2007 similar to Cleveland that does not alter these terms. 2007 N.C. Sess. Laws. 527 Sec. 21(ee).

⁴ Also had a minor amendment in 2007 that does not affect this term. 2007 N.C. Sess. Laws. 527 Sec. 21(z).

⁵ Ashe also had a minor amendment in 2007 that does not alter these terms. 2007 N.C. Sess. Laws. 527 Sec. 21(dd).

⁶ A minor amendment to Lee’s statute in 2007 did not alter these terms. 2007 N.C. Sess. Laws. 527 Sec. 21(u).

by law.” 1985 N.C. Sess. Laws 969 (as amended by 1991 N.C. Sess. Laws 665). However, pursuant to a 2024 legislative enactment passed *after* the Court of Appeals decision was issued in the case now before this Court, their authorization to spend any funds for any public purpose is being phased out over three years, and their statute will be fully in conformance with the Guidelines in 2034. This recent statute is entitled “AN ACT TO MODIFY THE DURHAM COUNTY OCCUPANCY TAX.” 2024 N.C. Sess. Laws 19.

One important thing to note about these few exceptions which vary from the Guidelines is that they generally predate the adoption of the Guidelines, and came into being between roughly 1985 and 1991. However, these enactments and amendments demonstrate that the General Assembly is fully aware of how to adopt an occupancy tax statute that would allow all or a portion of such revenues to be deposited into a jurisdiction’s general fund for spending on any lawful or public purpose.

However, since occupancy taxes are being levied on the tourism sector of the economy, almost every other occupancy tax statute in the State requires its revenue to be spent on tourism, which is why the Guidelines were adopted and have been maintained for over 30 years.

IV. Currituck's Current Statute Uses the Key Terms of The Guidelines Requiring a Portion of Funds to Be Spent to "Increase" the Use of Lodging and Similar Facilities By "Attracting" More Tourists.

Currituck's statutory authorization to levy occupancy taxes, as revamped in 2004, brought it closer in line to the Guidelines than it had been before, but not completely. 2004 N.C. Sess. Laws 95. Currituck's statute varies from the Guidelines in two key aspects.

First, Currituck's statute requires it to spend only *one-third* of its occupancy tax revenue to promote travel and tourism, while it may use *two-thirds* of the funds for "tourism-related expenditures." This is the opposite of the split which the Guidelines promote. Currituck's statute requires close reading of its original enactment and amendments, because its 6% total tax is split into two halves – the first 3% must go 100% to tourism-related expenditures, including beach renourishment. The second 3% requires two-thirds of that half to be used to promote travel and tourism, and the rest for tourism-related expenditures. When totaled, this means that Currituck's statute allots 4% (two-thirds) for tourism-related expenditures and 2% (one-third) for promotion of travel and tourism.

Second, Currituck's statute also varies from the Guidelines in that one-half of its Tourism Development Authority ("TDA") does not consist of members currently active in the promotion of travel and tourism in the district, nor is one-third of the TDA's membership affiliated with organizations that collect occupancy taxes (*e.g.*,

hotels). Instead, under the 2004 statute, the Currituck County Board of Commissioners is authorized to create a Currituck County Tourism Development Authority by resolution, but that body is to be composed of all the county commissioners as voting members, as well as the county's designated travel and tourism representative, who serves as a non-voting member.⁷

This type of TDA board makeup is close to unique to Currituck County.⁸ The Currituck TDA (though it includes all the County Commissioners), however, still must have its own chair and terms of office for all members, and it is the TDA that “shall expend the net proceeds of the tax levied under this act for the purposes provided in Section 1 of this act.” 2004 N.C. Sess. Laws 95, § 3.

Despite these significant departures in Currituck's TDA statute from the Guidelines, its definition of the term “promote travel and tourism” is identical to the Guidelines, and its definition of “tourism-related expenditures” is also significantly the same.

As the below blackline paragraph shows, Currituck's definition of “tourism-related expenditures” substitutes the County Board of Commissioners for the

⁷ Under Session Law 2008-54, when the County expanded to seven county commissioners, the TDA's size was expanded as well. 2008 N.C. Sess. Laws 54.

⁸ Any exceptions like this are rare and also tend to be old. Cleveland County, who has one of the old statutes allowing spending on any public purpose, is another. 1989 N.C. Sess. Laws 173. And Clay County has a statute that allows its county commissioners to allocate funds up to \$150,000 in revenue, and then a TDA after that. (App. 15.)

“Tourism Development Authority” (since their membership is identical), adds “recreational facilities” to the list of entities that may be targeted for increased use, and adds beach nourishment to the definition of allowed expenditures, which is consistent with the Guidelines’ position that beach nourishment can count as tourism-related expenditures, but only in coastal counties.

The Guidelines’ definition of Tourism-related expenditures as blacklined to show the differences in Currituck’s definition is as follows:

Tourism-related expenditures – Expenditures that, in the judgment of the *Currituck County Board of Commissioners* ~~Tourism Development Authority~~, are designed to increase the use of lodging facilities, meeting facilities, *recreational facilities*, and convention facilities in a ~~city~~/county by attracting tourists or business travelers to the ~~city~~/county. The term includes tourism-related capital expenditures *and beach nourishment*.

(*Cf.* App. 1 to R p 199.)

The definition of “tourism-related expenditures” in Currituck County, although not identical to other TDA legislation, is the same in its key language of defining that term to include expenditures “that are designed to *increase* the use” of lodging/meeting type facilities “*by attracting* tourists or business travelers” to the city or county. 2004 N.C. Sess. Laws 95, § 2 (emphasis added.)

The County argues that the 2004 statutory amendments did not alter their authority under the 1987 statute. That argument is without merit or support. The 2004 amendment was plainly intended to bring Currituck County more closely in-

line with the Guidelines, including the Guidelines’ definitions of “promote travel and tourism” and “tourism-related expenditures”.

It is apparent from the record that Currituck County transfers some of its occupancy tax revenue directly to its general fund. The affidavit submitted by the County from Commissioner Bob White in the trial court states that the Currituck TDA sends two-thirds of its occupancy tax revenue directly to the County’s general fund. (R p. 195.) There is no evidence showing that the money is traceable after that point. Those funds are effectively then able to be spent on any public purpose, even though their TDA statute does not permit it.

It is the view of *amici curiae*, based on their extensive experience in legislative matters involving occupancy tax use, that merely depositing occupancy tax revenue into a body’s general fund for subsequent spending, neither meets the legislative intent of Currituck’s legislation, nor that statute’s specific language. As shown in the few examples above where the General Assembly has allowed spending of some or all of occupancy tax revenue for any lawful or public purpose, it knows how to draft statutes that do that.

V. Currituck’s Prior Statute Allowed Spending for Some Public Purposes, Which the 2004 Amendment Intentionally Removed.

Prior to the Currituck statute’s 2004 amendment, its predecessor statute required that at least 75% of the net proceeds of the occupancy tax be used “only for *tourist* related purposes, including construction and maintenance of public facilities

and buildings, garbage, refuse, and solid waste collection and disposal, *police protection and emergency services.*” 1987 N.C. Sess. Laws 209, § 1(e) (emphasis added). The remainder (the other 25%) stated it “shall be deposited in the Currituck County General Fund and may be used for any lawful purpose.”

The County’s 1987 statutory language was typical of the early occupancy tax statutes, only a few of which still exist, which allowed some local governments to use proceeds to supplement general fund revenues.⁹ It was in the 1990s that the General Assembly changed its policy on occupancy taxes. NCTCC presented credible data to the General Assembly showing that the imposition of the occupancy tax in addition to the existing sales tax already imposed on lodging services was increasing lodging costs to such an extent that the taxes *actually hurt the local tourism industry*. This public policy failure of tourism taxes driving away tourists could only be rectified unless the proceeds of the taxes were invested to make the area more attractive to tourists and business travelers. This is what resulted in the adoption of principles requiring the use of occupancy proceeds in the promotion of tourism or tourism related expenditures. (R p 178.)

⁹ In addition to the examples discussed earlier in this brief, Plaintiff-Appellees’ New Brief also notes that Dare County’s occupancy tax statute still permits some spending on certain items such as police protection and solid waste collection which do not conform with the Guidelines. (Pls.’ New Br. at 30-31.)

While a number of local occupancy taxes have been amended over time and deciphering the meaning of those changes may take some effort, no such great effort is needed for Currituck County. The fact that the 2004 Currituck Statute is titled “AN ACT ... TO CHANGE THE PURPOSES FOR WHICH THE [OCCUPANCY] TAX MAY BE USED” should not be controversial or hard to interpret. The county’s prior statute was clearly being superseded and made to be in closer conformity to the Guidelines. The Guidelines do not contemplate the use of occupancy tax revenue for such general services as “police protection and emergency services” that had been permitted uses under the prior Currituck statute. And the Guidelines certainly do not contemplate occupancy tax revenues raised for “tourism-related expenditures” being transferred to Currituck’s general fund for subsequent spending. That is the whole purpose of the Guidelines.

Indeed, *after* the issuance of the Court of Appeals decision in this case, the General Assembly modified Durham County’s occupancy tax statute to phase out the ability to spend any occupancy tax proceeds “for any purpose authorized by law.” It did so in “AN ACT TO MODIFY THE DURHAM COUNTY OCCUPANCY TAX.” 2024 N.C. Sess. Laws 19. And that “modification” is to require the local tourism development authority to only spend its revenues to promote tourism, and for “tourism related expenditures”, meaning expenditures “designed to increase” the use of tourism facilities “by attracting tourists”—just like Currituck’s statute. There

can be no question that the General Assembly intends that “tourism related expenditures” cannot be deposited into a general use fund to use on general public services based on the flimsy argument that tourists like general public services.

The County argues in its new brief to this Court that the General Assembly was merely giving the County Commissioners “judgment” in the 2004 amendment. (Def. New Br. at 22.) Yet there is zero reference in the County’s brief to the Guidelines despite the NCTCC submitting an affidavit to the trial court, and submitting a brief with other amici to the Court of Appeals. Currituck’s TDA legislation was not amended in a vacuum, but as part of the statewide initiative to bring TDA legislation in greater conformity with the Guidelines.

Moreover, the County’s brief does not even reference the title of the 2004 amendment to “CHANGE THE PURPOSES FOR WHICH THE TAX MAY BE USED.” Any argument that the 2004 amendment really had no effect on what Currituck could do loses any persuasive force, if it had any, if the County will not even explain what they think the title meant. In the County’s argument, the 2004 amendment should have been titled “AN ACT TO CHANGE NOTHING ABOUT HOW CURRITUCK COUNTY SPENDS ITS OCCUPANCY TAXES.” This Court has held that it is appropriate to consider the title of an act, even when the language of an act is plain, in determining its meaning. *State v. Alexander*, 380 N.C.

572, 590, 869 S.E.2d 215, 229 (2022). The act’s title is very relevant and certainly cannot just be ignored.

Yet, notwithstanding the 2004 amendment, the record shows that Currituck continued to use a portion of its occupancy tax proceeds to pay for general services. Currituck County itself states that it spends “about 80% percent” of its occupancy-tax revenues on things such as “law enforcement, emergency medical services, fire protection, and beach lifeguards (costs that, collectively, are referred to as public safety spending) as well as for repairing and maintaining roads.” (R p. 192-93).

Amici are not aware of any other local government that has used occupancy tax proceeds in this manner when subject to a statute using similar language. The idea that spending occupancy tax revenues on general public services is permitted under Currituck’s 2004 statute as a matter of course is completely contrary to the background and history related above.

Again, in Currituck’s case, its tourism-related expenditures must be

designed to increase the use of lodging facilities, meeting facilities, recreational facilities, and convention facilities in a county by attracting tourists or business travelers to the county. The term includes tourism-related capital expenditures and beach nourishment.

The general services provided by local governments are no doubt a key component of local government—but they are not tourism-related expenditures. The 2004 amendment shifted the focus of the uses of occupancy tax proceeds away from general governmental services.

Thus, because the record shows that Currituck County is spending some of its occupancy tax revenues for purposes not permitted by its statute, the Court of Appeals correctly held that those expenditures were not authorized.

VI. The Court of Appeals Concurrence Position Avoids Addressing the Issue Before the Court

At the Court of Appeals, Judge Hampson's concurrence offers his personal opinion (he concedes it is "in my view") that the County *might* be able to conclude that spending occupancy taxes to "fund law enforcement, emergency medical services, and fire protection might well be expenditures" designed to "increase" the use of lodging and other tourism facilities by "attracting" more tourists or business travelers to the County. However, the concurrence makes no mention of the statutes mentioned above where the General Assembly has permitted jurisdictions to allow occupancy tax revenues to be spent on any lawful public purpose, and has amended those statutes when it deems fit to adopt definitions in accordance with the Guidelines.

The concurrence's hypothesis would render meaningless the enactments of the General Assembly that put specific restrictions on how occupancy tax revenues can be spent. The general services that any local government must provide do not "increase" the use of lodging facilities and "attract" tourists. A local government that completely ceases to provide basic services may well drive away tourists, but maintaining the services that all governments must provide does not "increase"

lodging facility use and “attract” tourists. That much is clear in the news article cited in the County’s new brief about whether crime in San Francisco is hurting tourism. (County’s New Br. at 25.) The purpose of occupancy taxes is unique. They generate additional taxes on lodging facilities (beyond all the additional sales tax and other taxes that tourists generate in a tourist destination), to be spent only on specific purposes related to tourism. The rental lodging and hotel industry is already paying sales taxes and other local taxes, and that is the revenue to be spent on general public purposes such as maintaining roads, police, and emergency services.

Ultimately, the concurrence is proposing a hypothetical that is not supported by the record evidence and the detailed history of occupancy tax statutes. Currituck County’s own position is that it has determined (though it never said so before depositions in this lawsuit) that their expenditures on general services are tourism-related. But since that claim would render their occupancy tax statute meaningless, and eliminate the whole purpose of occupancy taxes, that proposed interpretation of the law should be rejected.

VII. Any Decision in This Appeal Should Not Affect Other TDA Statutes

The argument by Currituck County that a tourism development authority can disregard the limitations and conditions on its spending authority and transfer occupancy tax revenues into their general fund, and has limitless “discretion” to do so based on the theory that tourists like general government services, is clearly not

correct under the law. But any decision in this appeal should also be careful not to upset the hundreds of existing occupancy tax statutes that apply to other jurisdictions. These TDAs have not been interpreting their statute to allow occupancy tax revenues simply to be transferred to a general fund for spending on general public services, because that is not what the statutes require. (R p. 179.)

The definitions of “promote travel and tourism” and “tourism-related expenditures” in Currituck’s statute are substantially similar to hundreds of other local statutes. Though Currituck makes no mention of this in their brief, Currituck’s arguments are inviting this Court to upset years of careful work of the General Assembly and stakeholders committed to the success of the tourism industry in North Carolina. Currituck’s failure to acknowledge these other statutes only further weakens any persuasive force of their positions.

The tourism industry does not oppose the imposition of occupancy taxes when they are actually spent to promote tourism, as the Guidelines are designed to do. But if occupancy tax revenue could be spent on general public services, then the tourism industry is facing an unfair and greater tax burden than any other industry. The whole rationale for occupancy tax legislation would cease to exist.

Amici therefore ask the Court, to the extent it issues a decision based on the specific factual record applicable to Currituck County, that it should not inadvertently create unintended effects on occupancy tax statutes outside Currituck

County. The Court of Appeals appropriately did that by holding that Currituck's spending of occupancy tax proceeds for public safety services does not comply with Currituck's statute.

CONCLUSION

Amici curiae submit that the Court of Appeals decision should be affirmed.

This the 1st day of October, 2025.

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N.C. R. App. P. 33(b) Certification: I certify
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CERTIFICATE OF SERVICE

I hereby certify that on this day, I filed the foregoing Brief of Amici Curiae electronically with the Clerk of Court, which will send notification to all parties in the case, and served this filing by email, to the following:

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GUIDELINES FOR OCCUPANCY TAX LEGISLATION

Since 1983, the General Assembly has authorized many units of local government to levy a room occupancy tax. In several instances, the General Assembly has authorized both a county and a city within that county to impose an occupancy tax. The rate of tax, the use of the tax proceeds, the administration of the tax, and the body with the authority to determine how the tax proceeds will be spent vary considerably.

Over the past several years, there has been a greater effort to make the occupancy taxes uniform. In 1997, the General Assembly enacted uniform municipal and county administrative provisions for occupancy tax legislation – G.S. 153A-155 and G.S. 160A-215. These provisions provide uniformity in the areas of levy, administration, collection, repeal, and penalties.

The North Carolina Travel and Tourism Coalition (NCTTC) has a policy statement for legislation authorizing local occupancy taxes. Many of the principles contained in its statement are similar to the ones established by the House Finance Committee in 1993. Subsequently, the House Finance Committee established the Occupancy Tax Subcommittee, which regularly reviews occupancy tax legislation and looks for the inclusion of the following uniform provisions in the bills it considers:

- ◆ **Rate** – The county tax rate cannot exceed 6% and the city tax rate, when combined with the county rate, cannot exceed 6%.
- ◆ **Use** – At least two-thirds of the proceeds must be used to promote travel and tourism and the remainder must be used for tourism-related expenditures, which may include beach nourishment. However, local governments in coastal counties may allocate up to 50% of occupancy tax proceeds for beach nourishment, so long as all remaining proceeds are used for tourism promotion and provided that the use of occupancy tax proceeds for beach nourishment is limited by either a statutory cap or sunset provision.¹
- ◆ **Definitions** The terms "net proceeds", "promote travel and tourism", "tourism-related expenditures", and "beach nourishment" are defined terms:
 - **Net proceeds** – Gross proceeds less the costs to the city/county of administering and collecting the tax, as determined by the finance officer, not to exceed 3% of the first \$500,000 of gross proceeds collected each year and 1% of the remaining gross receipts collected each year.
 - **Promote travel and tourism** – To advertise or market an area or activity, publish and distribute pamphlets and other materials, conduct market research, or engage in similar promotional activities that attract tourists or business travelers to the area; the term includes administrative expenses incurred in engaging in these activities.
 - **Tourism-related expenditures** – Expenditures that, in the judgment of the Tourism Development Authority, are designed to increase the use of lodging facilities, meeting facilities, and convention facilities in a city/county by

¹In May 2013, the North Carolina Travel and Tourism Coalition passed a resolution supporting a modification to the Occupancy Tax Guidelines to allow local governments in coastal counties to allocate up to 50% of occupancy tax proceeds for Beach Nourishment, so long as all remaining proceeds are used for tourism promotion and provided that the use of occupancy tax proceeds for Beach Nourishment is limited by either a statutory cap or sunset provision.

attracting tourists or business travelers to the city/county. The term includes tourism-related capital expenditures.

- **Beach Nourishment**² – The placement of sand, from other sand sources, on a beach or dune by mechanical means and other associated activities that are in conformity with the North Carolina Coastal Management Program along the North Carolina shorelines and connecting inlets for the purpose of widening the beach to benefit public recreational use and mitigating damage and erosion from storms to inland property. The term includes expenditures for the following:
 - a. Costs directly associated with qualifying for projects either contracted through the U.S. Army Corps of Engineers or otherwise permitted by all appropriate federal and State agencies;
 - b. The nonfederal share of the cost required to construct these projects;
 - c. The costs associated with providing enhanced public beach access; and
 - d. The costs of associated nonhardening activities such as the planting of vegetation, the building of dunes, and the placement of sand fences.
- ◆ **Administration** – The net revenues must be administered by a local tourism promotion agency, typically referred to as a “Tourism Development Authority,” that has the authority to determine how the tax proceeds will be used, is created by a local ordinance, and at least ½ of the members must be currently active in the promotion of travel and tourism in the taxing district and 1/3 of the members must be affiliated with organizations that collect the tax.³
- ◆ **Costs of Collection** – The taxing authority may retain from the revenues its actual costs of collection, not to exceed 3% of the first \$500,000 collected each year plus 1% of the remainder collected each year.
- ◆ **Conformity with Other Local Occupancy Taxes** – In 2008, the NCTTC formally revised its policy position with regard to occupancy taxes to include a statement that if a city seeks to impose a new occupancy tax or increase its existing tax on lodging facilities in a county that also has an existing occupancy tax, the county occupancy tax must conform to the guidelines in order for the Coalition to support the proposed municipal tax. During the 2009 Regular Session, the House Finance Chairs⁴ considered the revised policy statement of the NCTTC but declined to amend the House Finance Committee's Guidelines for Occupancy Tax accordingly.

Research Division
NC General Assembly
Revised 9/3/13

²During the 2001 Regular Session, the Occupancy Tax Subcommittee of the House Finance Committee considered several bills authorizing the use occupancy tax proceeds for beach nourishment. Although “beach nourishment” was not among the uses contained in the uniform guidelines, the subcommittee nevertheless concluded that beach nourishment was an acceptable expansion of the occupancy tax use provisions. In doing so, the subcommittee drafted this uniform definition of beach nourishment for use in occupancy tax legislation.

³ In March 2005, the House Finance chairs decided to change the percentage of members that must be currently active in the promotion of travel and tourism from ¾ to ½. The House Finance chairs in 2005-06 were: Representatives Alexander, Gibson, Howard, Luebke, McComas, and Wainwright.

⁴ During the 2009-2010 Session, the House Finance chairs were: Representatives Luebke, Wainwright, Weiss, and Gibson.

OCCUPANCY TAX OVERVIEW

Updated through 2024 Regular Session

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES	LEGISLATIVE HISTORY & NOTES
					Y N	
Ahoskie, Town of SL 2006-164 SL 2008-45	Hertford	3%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	Town TDA	YES	<u>SL 2006-164:</u> Authorized 3% tax <u>SL 2008-45:</u> Clarified that the Town may use proceeds to promote travel and tourism in the area.
Alamance County SL 1987-950 SL 2007-527 , Sec. 21(y) ⁱ SL 2013-414 , Sec. 60(o) ⁱⁱ		3%	2/3 to the TDA to further the development of travel, tourism, and conventions in the county through State, national, and international advertising and promotion. 1/3 to county to be used only for acquiring, constructing, financing (including debt service), maintaining, and operating civic centers, arts centers, libraries, parks, museums, and recreational facilities and for visitor-related programs and activities including, but not limited to, museums and other art or cultural programs, events, and festivals.	County TDA (for 2/3) & Board of Commissioners (for 1/3)	NO	<u>SL 1987-950:</u> Authorized 3% tax <u>SL 2007-527, Sec 21(y):</u> <i>See Endnote i</i> <u>SL 2013-414, Sec. 60(o):</u> <i>See Endnote ii</i>

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES	LEGISLATIVE HISTORY & NOTES
					Y N	
Albemarle, City of SL 1991-915 <i>Repealed</i> SL 2001-434 , Part IV						<i>REPEALED</i> Authority to levy tax repealed by SL 2001- 434, Part IV
Alleghany County SL 1991-162 SL 2004-106 SL 2011-170 , Part I SL 2013-414 , Sec. 60(q) ⁱⁱ		6%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	County TDA	YES	<u>SL 1991-162:</u> Authorized 3% tax <u>SL 2004-106:</u> Conformed act to uniform administrative provisions and guidelines, except that county was not required to establish a TDA until annual net proceeds exceeded \$100,000 <u>SL 2011-170, Part I:</u> Authorized additional 3% tax and required establishment of a TDA upon levy of additional tax <u>SL 2013-414, Sec. 60(o):</u> <i>See Endnote ii</i>
Anson County SL 2001-434 , Part II SL 2010-78		6%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	County TDA	YES	<u>SL 2001-434, Part II:</u> Authorized 3% tax <u>SL 2010-78:</u> Authorized additional 3% tax

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES	LEGISLATIVE HISTORY & NOTES
					Y N	
Ashe County SL 1991-163 SL 2007-527 , Sec. 21(dd) ⁱ		3%	1/3 to Ashe County Chamber of Commerce to promote travel and tourism; 2/3 retained by county to be used for any public purpose	Board of Commissioners and Chamber of Commerce	NO	<u>SL 1991-163:</u> Authorized 3% tax <u>SL 2007-527, s. 21 (dd):</u> <i>See Endnote i</i>
Averasboro Township SL 1987-142 SL 2001-439 , Part XII SL 2014-83	Harnett	6%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures	Township TDA	YES	<u>SL 1987-142:</u> Authorized 3% tax <u>SL 2001-439, Part XII:</u> Authorized additional 3% tax & required establishment of a TDA upon levy of the additional 3% tax <u>SL 2014-83:</u> Modified the composition, meeting requirements, and authority of TDA
Avery County SL 1993-472 <i>Repealed</i> SL 1997-410 , Sec. 4 & 5 <i>Repealed</i> SL 2001-439 , Part XVI.						<i>REPEALED</i> SL 2001-439, Part XVI, repealed. Avery Co authority to levy tax

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES	LEGISLATIVE HISTORY & NOTES
					Y N	
Avery County District A SL 2023-144 , Part I		6%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures	District TDA	YES	<u>SL 2023-144, Part I:</u> Created district consisting of all unincorporated areas of the county and authorized 6% tax
Bald Head Island, Village SL 1991-664 SL 1993-617	Brunswick	6%	100% used to promote tourism in the village and for tourism-related expenditures, defined to include criminal justice system, fire protection, public ties & utilities, health facilities, solid waste & sewage treatment, control & repair of waterfront erosion. The funds may not be used for services normally provided by the village on behalf of its citizens unless these services promote tourism and enlarge its economic benefits by enhancing the ability of the village to attract and provide for tourists.	Village Council	NO	<u>SL 1991-664:</u> Authorized 3% tax <u>SL 1993-617:</u> Authorized additional 3% but provided that if Brunswick levies a tax, then the total maximum rate can't exceed 6%. However, SL 1997-364, which authorizes Brunswick County to levy a 1% tax, states that the tax excludes any municipality that levies a 6% tax.
Banner Elk, Town of SL 1989-318 SL 1993-428 SL 2000-103 , Sec. 9 SL 2002-94 , Sec. 3	Avery	6%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures	Town TDA	YES	<u>SL 1989-318:</u> Authorized 3% tax <u>SL 1993-428:</u> Conformed penalties to State penalties; modified merchant discount to match state discount; and modified use to 2/3 for promotion and 1/3 for

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES		LEGISLATIVE HISTORY & NOTES
					Y	N	
							tourism-related expenditures <u>SL 2000-103:</u> Required proceeds to be distributed to a TDA; modified use to be 1/3 for promotion and 2/3 for tourism-related expenditures for a period of 10 years; after 10 years (eff. 10/1/2010), formula will be reversed <u>SL 2002-94, Sec. 3:</u> Authorized additional 3% tax
Beech Mountain, Town of SL 1987-376 SL 2001-434 , Part V SL 2001-439 , Part XV SL 2002-94 , Sec. 2	Avery Watauga	6%*	The TDA must segregate the funds into 3 separate accounts: <u>Watauga Proceeds Account</u> At least 2/3 shall be used to promote travel and tourism; remainder for tourism-related expenditures. <u>Avery Proceeds Account</u> At least 2/3 shall be used to promote travel and tourism; remainder for tourism-related expenditures. <u>District W Account</u> At least 2/3 shall be used to promote travel and tourism	Town TDA	YES		<u>SL 1987-376:</u> Authorized 3% tax <u>SL 2001-434:</u> Changed use of tax and made other administrative changes <u>SL 2001-439:</u> Authorized the towns in Avery County to levy a 3% tax <u>*SL 2002-94:</u> Authorized additional 3% tax, but town may not levy if Beech Mtn District W is levying an occupancy tax.

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES	LEGISLATIVE HISTORY & NOTES
					Y N	
			in the district; remainder for tourism-related expenditures.			
Beech Mountain District W SL 2001-434 , Part VII	Watauga	3%	At least 2/3 to promote travel and tourism in district; remainder for tourism-related expenditures.	Town TDA	YES	<u>SL 2001-434, Part VII:</u> Created a district consisting of that part of the Town of Beech Mountain that is located in Watauga County and authorized 3% tax.
Belmont, City of SL 2005-220	Gaston	3%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	City TDA	YES	<u>SL 2005-220:</u> Authorized 3% tax
Benson, Town of SL 2006-120	Johnston	2%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	County TDA	YES	<u>SL 2006-120:</u> Authorized 2% tax
Bermuda Run, Town of SL 2010-78	Davie	3%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	Town TDA	YES	<u>SL 2010-78:</u> Authorized 3% tax
Bertie County SL 2023-144 , Part XVI		6%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	County TDA	YES	<u>SL 2023-144, Part XVI:</u> Authorized 6% tax

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES	LEGISLATIVE HISTORY & NOTES
					Y N	
Blowing Rock, Town of SL 1987-171 SL 2003-281	Watauga Caldwell	6%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	Town TDA	YES	<u>SL 1987-171:</u> Authorized 3% tax <u>SL 2003-281:</u> Authorized additional 3% tax <i>(See also SL 1987-472, which states that Caldwell County portion of Town is not subject to county tax)</i>
Boiling Springs, Town of SL 2006-148	Cleveland	3%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	Town TDA	YES	<u>SL 2006-148:</u> Authorized 3% tax
Boone, Town of SL 1987-170 SL 1998-35 SL 2007-527 , Sec. 21(o) ⁱ SL 2009-291	Watauga	6%	At least 2/3 to promote tourism; remainder for tourism- related expenditures recommended by the Boone Town Council and approved by the Authority	Town TDA	YES*	*Generally conforms but includes additional language that TDA expenditures must be recommended by Town Council. <u>SL 1987-170:</u> Authorized 3% tax <u>SL 1998-35:</u> Modified Boone TDA <u>SL 2007-527, s. 21 (o):</u> <i>See Endnote i</i> <u>SL 2009-291:</u> Authorized additional 3% tax and made administrative changes

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES		LEGISLATIVE HISTORY & NOTES
					Y	N	
Brunswick County SL 1997-364		1%	100% to promote travel and tourism	County TDA	YES		<u>SL 1997-364:</u> Authorized 1% tax, but provides that tax does not apply to accommodations subject to a municipal room occupancy tax at the rate of six percent (6%).
Buncombe County SL 1983-908 , Part VI SL 1985-942 SL 2001-162 SL 2013-414 , Sec. 60(a) ⁱⁱ SL 2015-128 , Sec. 8 SL 2020-3 , Sec. 1.5 SL 2022-40 , Sec. 3.1		6%	2/3 to further the development of travel, tourism, and conventions in the county through State, national, and international advertising and promotion 1/3 to be divided between 2 funds: • Tourism Product Development Fund (TPDF) for major tourism projects to significantly increase patronage of lodging facilities in Buncombe County • Legacy Investment From Tourism Fund (LIFT) to significantly increase patronage at lodging facilities, meeting facilities, and convention facilities and further	County TDA	NO		<u>SL 1983-908:</u> Authorized 2% tax <u>SL 1985-942:</u> Authorized additional 1% tax <u>SL 2001-162:</u> Authorized second additional 1% tax <u>SL 2013-414, Sec. 60(a):</u> <i>See Endnote ii</i> <u>SL 2015-128:</u> Authorized additional 2% tax and modified TDA Board <u>SL 2020-3:</u> Authorized TDA to use occupancy tax proceeds in its TPD Fund to provide grants to tourism businesses affected by Covid-19. <u>SL 2022-40:</u> Changed distribution formula,

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES	LEGISLATIVE HISTORY & NOTES
					Y N	
			economic development in the county			creates LIFT Fund, and modifies composition of TDA board
Burgaw, Town of SL 2006-167 SL 2013-38	Pender	3%	At least 2/3 to promote tourism; remainder for tourism-related expenditures.	Town TDA	YES	<u>SL 2006-167:</u> Authorized 3% tax <u>SL 2013-38:</u> Required the Burgaw TDA membership to conform to guidelines
Burke County SL 1989-422 SL 1995-143 SL 2007-265		6%	<u>First 3%:</u> At least 2/3 must be used to promote travel and tourism; the remainder must be used for tourism-related expenditures. <u>Second 3%:</u> TDA must divide the remaining net proceeds into 3 separate accounts as set out below. At least 2/3 of funds in each account must be used to promote travel and tourism; remainder for tourism-related expenditures. The accounts are as follows: 45% to Morganton Account 30% to Burke Co Account	County TDA	YES	<u>SL 1989-422:</u> Authorized 3% tax <u>SL 1995-143:</u> Provided that proceeds should be used 50% for economic development and 50% for tourism or in any other ratio the board deems appropriate <u>SL 2007-265:</u> Authorized additional 3% tax; rewrote act to conform to uniform administrative provisions and guidelines; provided for distribution of proceeds into separate accounts

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES		LEGISLATIVE HISTORY & NOTES
					Y	N	
			25% to Valdese Account				
Cabarrus County SL 1989-658 SL 2001-439 , Part XVII SL 2010-79		6%	100% of net proceeds only to develop or promote tourism, tourist-related support services and facilities, tourist-related events, tourist-related activities, or tourist attractions.	Cabarrus County Tourism Authority (not a TDA)	NO		<u>SL 1989-658:</u> Authorized 5% tax <u>SL 2001-439, XVII:</u> Authorized tax of up to 6% (additional 1% authority) <u>SL 2010-79:</u> Expanded membership of Tourism Authority from 9 to 12 and modified composition
Caldwell County SL 1987-472 SL 2007-527 , Sec. 21(s) ⁱ		3%	50% to promote travel and tourism and sponsor tourist-oriented events; 50% to promote industrial and economic growth. Chamber of Commerce may retain 15% of funds for administrative expenses	Caldwell County Chamber of Commerce	NO		<u>SL 1987-472:</u> Authorized 3% tax and 3% merchant discount; provides that county tax does not apply to Caldwell County portion of Blowing Rock. <u>SL 2007-527, s. 21(s):</u> <i>See Endnote i</i>
Camden County SL 2004-120		6%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	County TDA	YES		<u>SL 2004-120:</u> Authorized 6% tax
Carolina Beach, Town of SL 2002-138	New Hanover	3%	50% to promote travel and tourism; 50% for tourism-related expenditures	County TDA	NO		<u>SL 2002-138:</u> Authorized 3% tax; TDA must consult with town before making expenditures from

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES		LEGISLATIVE HISTORY & NOTES
					Y	N	
							beach town account
Carrboro, Town of SL 2001-439 , Part XIV	Orange	3%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	Town TDA	YES		<u>SL 2001-439, Part XIV:</u> Authorized 3% tax
Carteret County SL 1987-375 <i>Repealed.</i> SL 1989-171 <i>Repealed.</i> SL 2001-381 SL 2005-120 SL 2005-435 , Sec. 52 SL 2007-112 SL 2007-484 , Sec. 40 SL 2013-223 SL 2013-414 , Sec. 60(f) ⁱⁱ SL 2023-144 , Part XXII		6%	50% to the TDA and used to promote travel and tourism; 50% retained by county and used for beach nourishment. The Board has established the Carteret County Beach Commission to advise them on strategies for beach nourishment. The county may not accumulate a balance of tax proceeds for beach nourishment in excess of \$60M	County TDA (50%) & Board of Commissioners (50%)			<u>SL 2001-381:</u> Repealed prior OT law; authorized 5% to be used as follows: - 60% to TDA for promote tourism - Remainder retained by county for beach nourishment Authorized additional 1% if a development and signed contract for construction of a convention center is in place by certain dates; set out contingent distribution of funds based on status of convention center development In 2003, the Bd of County Commissioners voted to rescind the occupancy tax. It was reinstated effective July 1, 2004. <u>SL 2005-120:</u> Amended deadline for development of convention center plan <u>SL 2005-435, Sec. 52:</u> Reenacted SL 2005-120 (technical

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES	LEGISLATIVE HISTORY & NOTES
					Y N	
						correction) <u>SL 2007-112:</u> Consolidated and rewrote act and extended deadline for development of convention center plan <u>SL 2007-484, Sec. 40:</u> Corrected a typo <u>SL 2013-223:</u> Removed references and contingencies related to convention center; authorizes levy of additional 1% (without contingencies) and modifies distribution to be 50% for tourism promotion and 50% for beach nourishment. <u>SL 2013-414, Sec. 60(f):</u> <i>See Endnote ii</i> <u>SL 2023-144:</u> Raises from \$30M to \$60M the cap on amount that may accrue for beach nourishment
Cary, Town of SL 1989-874 , <i>Repealed</i> SL 1991-594						<i>REPEALED</i> Authority repealed by SL 1991-594.

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES		LEGISLATIVE HISTORY & NOTES
					Y	N	
Caswell Beach, Town of SL 1991-664 SL 1997-364	Brunswick	5%	<u>First 3% (60%):</u> For tourism-related expenditures, defined to include: criminal justice system, fire protection, public facilities & utilities, health facilities, solid waste & sewage treatment control & repair of waterfront erosion. <u>Additional 2% (40%):</u> Only for beach nourishment and protection.	Town Council	NO		<u>SL 1991-664:</u> Authorized 3% tax for tourism-related expenditures <u>SL 1997-364:</u> Authorized additional 2% tax for beach nourishment
Caswell County SL 2007-224		3%	At least 2/3 of the net proceeds to promote travel and tourism; remainder for tourism-related expenditures.	County TDA	YES		<u>SL 2007-224:</u> Authorized 3% tax
Catawba County municipalities SL 1985-929							<u>SL 1985-929:</u> Authorizes any municipality in Catawba County, in addition to Hickory and Conover, which have separate legislation, to levy a tax of at least 3% but no more than 5% "when accommodations exist in the jurisdiction"

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES	LEGISLATIVE HISTORY & NOTES
					Y N	
Chapel Hill, Town of SL 1987-460 SL 2007-527 , Sec. 21(r) ⁱ	Orange	3%	The Town Council shall allocate proceeds of tax during budgeting process but no less than 10% of revenues must be used to provide funding for visitor information services & cultural events.	Town Council	NO	<u>SL 1987-460:</u> Authorized 3% tax and 1% merchant discount; provides that tax does not apply to Durham County portion of Chapel Hill <u>SL 2007-527, Sec 21(r):</u> <i>See Endnote i</i>
Chatham County SL 1993-642 SL 2007-318		6%	At least 2/3 of the net proceeds to promote travel and tourism; remainder for tourism-related expenditures.	County TDA	YES	<u>SL 1993-642:</u> Authorized 3% tax <u>SL 2007-318:</u> Authorized additional 3% tax
Cherokee County SL 1983-1055 SL 2007-527 , Sec. 21(e) ⁱ SL 2008-33 SL 2009-445 , Sec. 28		6%	At least 2/3 of the net proceeds to promote travel and tourism; remainder for tourism-related expenditures.	County TDA	YES	<u>SL 1983-1055:</u> Authorized 3% tax <u>SL 2007-527, s. 21(e):</u> <i>See Endnote i</i> <u>SL 2008-33:</u> Authorized additional 3% and conformed act to uniform administrative provisions and guidelines <u>SL 2009-445, Sec. 28:</u> Made technical changes

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES	LEGISLATIVE HISTORY & NOTES
					Y N	
Chowan County SL 1989-174 SL 2006-129		5%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	County TDA	YES	<u>SL 1989-174:</u> Authorized 3% tax <u>SL 2006-129:</u> Authorized additional 2% tax and conformed act to uniform administrative provision and guidelines
Clay County SL 1985-969 SL 1987-118 SL 1987-195 SL 2006-120 , Part VII		3%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	Board of Commissioners until net proceeds of the tax exceed \$150,000, then the TDA	NO (if no TDA)	<u>SL 1985-969:</u> Authorized 3% tax <u>SL 1987-118:</u> Authorized TDA <u>SL 1987-195:</u> Defined net proceeds <u>SL 2006-120, Part VII:</u> Provided that when annual net proceeds of tax exceed \$150,000, board of commissioners must establish TDA to administer proceeds
Clayton District C SL 2023-144 , Part XI.	Johnston	2%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures	County TDA	YES	<u>SL 2023-144, Part XI:</u> Created district consisting of the part of the Town of Clayton located within Johnston County and authorized district to levy 2% tax

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES	LEGISLATIVE HISTORY & NOTES
					Y N	
Cleveland County SL 1989-173 SL 2007-527 , Sec. 21(aa) ⁱ		3%	100% for any public purpose	Board of Commissioners	NO	<u>SL 1989-173:</u> Authorized 3% tax and 3% merchant discount <u>SL 2007-527, s. 21 (aa):</u> <i>See Endnote i</i>
Columbus County SL 1995-530 SL 1995-540 , Part I, <i>Repealed</i> SL 2007-527 , Sec. 21(nn) ⁱ		3%	100% to promote travel and tourism through advertising and promotional activities. Make expenditures that will facilitate and promote tourism such as building visitor center, coliseum or convention facility.	County Tourism Board	NO	<u>SL 1995-530:</u> Authorized 3% tax and a merchant discount equal to the State discount for sales & use tax. <u>SL 1995-540, Part I:</u> Would have required a referendum to enact OT; <i>Repealed</i> effective 7/28/95 due to enactment of SB 364, SL 1995-530. <u>SL 2007-527, s. 21(nn):</u> <i>See Endnote i</i>
Columbus, Town of SL 1991-632	Polk	3%	50% to promote travel and tourism; 50% for any public purpose	Town Council	NO	<u>SL 1991-632:</u> Authorized 3% tax
Conover, City of SL 1985-929 , Sec. 1 SL 1987-172 SL 1987-319 SL 2007-527 , Sec. 21(j) ⁱ	Catawba	6%*	<u>Through 12/31/2039:</u> The Authority may use 2/3 for improving, leasing, constructing, financing, operating, or acquiring	Joint County-City TDA		*Levy of OT must be by joint resolution with City of Hickory <u>SL 2007-527, s.21 (j):</u> <i>See Endnote i</i>

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES		LEGISLATIVE HISTORY & NOTES
					Y	N	
SL 2009-169 , Sec. 3.(d) SL 2009-445 , Sec. 29 SL 2017-202 , Sec. 4.1 SL 2022-40			facilities and properties as needed to provide for a convention center facility, including parking facilities for the convention center; remainder to promote travel and tourism. <u>After December 31, 2039:</u> The Authority must use at least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.				SL 2009-169, Sec. 3.(d): Authorized additional 1% tax SL 2017-202, Sec 4.1 Provided that any debt issued for improvements, secured by tax proceeds, must mature on or before December 31, 2029. SL 2022-40: Extended for another 10 years the period to use 2/3 of proceeds for convention center/debt
Cooleemee, Town of SL 2010-78	Davie	3%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	Town TDA	YES		SL 2010-78: Authorized 3% tax
Cornelius, Town of (See Mecklenburg)	Mecklenburg						Receives distribution from Mecklenburg County (See Mecklenburg; SL 2001-402)
Cramerton, Town of SL 2009-429	Gaston	3%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	Town TDA	YES		SL 2009-429: Authorized 3% tax

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES	LEGISLATIVE HISTORY & NOTES
					Y N	
Craven County SL 1983-980 SL 1985-710 SL 1995-721 SL 1996-20 (2nd Extra Session) SL 1999-286 SL 2013-414 , Sec. 60(c) ⁱⁱ		6%	<u>First 3%:</u> Remitted to TDA to be used for: (1) direct advertising costs for visitor promotions, conventions, or tourism, including outdoor advertising, print media, broadcast media, and brochures; (2) marketing and promotions expenses, including test market programs, consultant fees, entertainment, housing expenses, travel expenses, and registration fees; (3) operating expenses for the Visitor Information Center, including postage, telephone, supplies, dues, subscriptions, equipment, rent, and overhead allocation; (4) salaries, benefits, and expenses for Visitor Information Center personnel; and (5) other expenses that aid and encourage visitor promotions, conventions, or tourism. <u>Add'l 3% + 35% of net proceeds in excess of \$100,000 of First 3%:</u> Allocated to the Room Tax Trust Fund for construction,	50% - County TDA 50%+ - Board of Commissioners	NO	<u>SL 1983-980:</u> Authorized 3% tax <u>SL 1985-710:</u> Changed membership of TDA <u>SL 1995-721:</u> Authorized additional 3% tax <u>SL 1996-20:</u> Reenacted Section 2 of SL 1995-721 <u>SL 1999-286:</u> Removed sunset on proceeds being used for convention center and made levy, admin and penalty provisions uniform. <u>SL 2013-414, Sec. 60(c):</u> <i>See Endnote ii</i>

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES		LEGISLATIVE HISTORY & NOTES
					Y	N	
			maintenance, operation, marketing of convention facility in New Bern and a tourist center in Havelock.				
Crossnore, Town of SL 2001-439 , Part XVI. SL 2002-94	Avery	6%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures	Town TDA	YES		<u>SL 2001-439, Part XVI:</u> Authorized 3% tax <u>SL 2002-94:</u> Authorized additional 3% tax
Cumberland County SL 1983-983 SL 1991-27 SL 2001-484 SL 2015-61		6%	<u>First 3%:</u> 50% is retained by the county and allocated for the benefit of the Auditorium Commission to help finance repairs, renovation, or other capital improvements to the Crown Coliseum Complex. 50% is remitted to the Cumberland County TDA to be used specifically for advertising the Coliseum and promoting travel and tourism in the county. <u>Second 3%:</u> All remitted to the TDA and used as follows: 50% to promote travel and tourism and for tourism-related expenditures. 50% distributed to the Arts	County TDA & Board of Commissioners	NO		<u>SL 1983-983:</u> Authorized 3% tax with 50% for auditorium/convention center facility and 50% for promoting facility and other tourism promotion in county <u>SL 1991-27:</u> Modified governance and membership of Civic Center Commission and authorized tax proceeds to be used by Commission to aid and encourage convention and visitor promotion <u>SL 2001-484:</u> Authorized phased-in increase in tax rate and established distribution of additional tax; modified composition of TDA

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES		LEGISLATIVE HISTORY & NOTES
					Y	N	
			Council of Fayetteville/Cumberland County for arts festivals and other arts events. The Authority and the Arts Council are encouraged to give favorable consideration to tourism-related expenditures of the Seniors Call to Action Teams, Inc. (SCAT) and the Martin Luther King, Jr. Committee.				<u>SL 2015-61:</u> Reduced the number of members serving on the Cumberland County Civic Center Commission.
Currituck County SL 1987-209 SL 1991-155 SL 2004-95 SL 2008-54 SL 2013-414 , Sec. 60(s) ⁱⁱ		6%	<u>First 3%:</u> 100% for tourism-related expenditures, including beach nourishment. <u>Second 3%:</u> At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	County TDA	NO		<u>SL 1987-209:</u> Authorized 3% OT <u>SL 1991-155:</u> Authorized additional 1% tax to be used for Currituck Wildlife Museum <u>SL 1999-155:</u> Conformed act to uniform administrative provisions <u>SL 2004-95:</u> Authorized additional 2% tax and provided for use of additional tax; eliminated specific reference to use for Currituck Wildlife Museum <u>SL 2008-54:</u> Increased membership of TDA from 6 to 8 members

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES	LEGISLATIVE HISTORY & NOTES
					Y N	
						SL 2013-414, Sec. 60(s): <i>See Endnote ii</i> <i>See Costanzo vs. Currituck County, (NC COA March 2024)</i>
Dallas, Town of SL 2007-317	Gaston	3%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	Town TDA	YES	SL 2007-317 : Authorized 3% tax
Dare County SL 1985-449 SL 1985-826 , Sec. 13 SL 1991-177 SL 1991-906 SL 1995-17, Sec. 20 SL 2001-347 SL 2001-394 SL 2001-439 , Part VII. SL 2002-141 SL 2004-123, Sec. 3 SL 2005-276, Sec. 33.28 SL 2010-78 , Sec. 7 SL 2013-414 , Sec. 60(t) ⁱⁱ		6%	<u>First 3%:</u> 68% is distributed to the municipalities in proportion to the amount of property taxes levied for the preceding fiscal year and must be used for tourist-related purposes. - Remaining 1/3 is retained by the county. <u>Next 1%:</u> - Distributed monthly to the Dare Co. Tourism Board. 75% used for administration cost and to promote tourism; 25% used for services and programs needed due to impact of tourism.	City and county officials & Dare County Tourism Board	NO	SL 1985-449 : Authorized 3% tax SL 1985-826, Sec. 13 : Corrected citation reference SL 1991-177 : Authorized additional 1% OT, authorized 1% prepared food and beverage tax, and established a Tourism Board to administer proceeds from these additional taxes SL 1991-906 : Provided maximum penalties for occupancy and meals taxes and made clarifying changes to the penalties SL 1995-17 : Corrected citation references SL 2001-347 : Aligned local act definition of

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES		LEGISLATIVE HISTORY & NOTES
					Y	N	
			<u>Additional 2%:</u> Retained by county for beach nourishment.				prepared food and beverage with sales tax definition <u>SL 2001-394:</u> Provided for distribution of OT proceeds to Duck once it was incorporated for at least a year <u>SL 2001-439, Part VII:</u> Authorized supplemental 1% tax to be used only for beach nourishment <u>SL 2002-141:</u> Modified Tourism Board membership to account for a representative from Duck <u>SL 2004-123, Sec. 3:</u> Corresponded definition of beach nourishment to align with Article enacted in same local act authorizing a temporary 1-cent local sales and use tax to be levied for a maximum of 8 years and to be used for beach nourishment <u>SL 2005-276, Sec. 33.28:</u> Modified definition of prepared food and beverage to address alcoholic beverages <u>SL 2010-78, Sec. 7:</u> Authorized second supplemental 1% tax to be used only for beach nourishment

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES	LEGISLATIVE HISTORY & NOTES
					Y N	
						<u>SL 2013-414, Sec. 60(t):</u> <i>See Endnote ii</i>
Davidson Co. District D SL 2023-144 , Part XXIII.		6%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	District TDA	YES	<u>SL 2023-144:</u> Created district consisting of unincorporated areas of county and authorized 6% tax
Davidson, Town of (<i>See Mecklenburg</i>)	Mecklenburg					Receives distribution from Mecklenburg County (<i>See Mecklenburg</i> SL 2001-402)
Davie County SL 1989-928 SL 1998-14		3%	At least 50% to be deposited into special fund managed by county and used to promote travel and tourism and to finance tourism related capital projects in the county; any tax proceeds in the special account not appropriated after three years must be remitted to the general fund and used for any lawful purpose; balance to general fund.	Board of Commissioners	NO	<u>SL 1989-928:</u> Authorized 3% tax; authorized 3% merchant discount; directed 1/3 to be deposited into special fund managed by county to be used to promote travel and tourism and to finance tourism related capital projects in the county; any tax proceeds in the special account not appropriated after three years to be remitted to the general fund to be used for any lawful purpose; 2/3 to general fund for any public purpose <u>SL 1998-14:</u>

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES	LEGISLATIVE HISTORY & NOTES
					Y N	
						Changed distribution to 50/50 and conformed act to uniform administrative provisions
Dobson, Town of SL 2006-118	Surry	6%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	Town TDA	YES	<u>SL 2006-118:</u> Authorized 6% tax
Duck, Town of (See SL 2001-394 , Article IX, Sections 4, 5)	Dare		Receives distribution from Dare County in proportion to the amount of ad valorem taxes levied by the town for the preceding fiscal year. The revenue distributed to the towns may only be used for capital expenditures.			<i>See Dare County</i>
Duplin County SL 1987-317 SL 2005-53 , as amended by Sec. 49 of SL 2005-435		6%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	County TDA	YES	<u>SL 1987-317:</u> Authorized 3% tax to be only for tourism promotion <u>SL 2005-53:</u> Authorized additional 3%, conformed to administrative guidelines, and required establishment of TDA once net annual proceeds of the tax reach \$200,000.
Durham County SL 1985-969 , Sec. 2, 3		6%	<u>FY 2024-25:</u> <u>First 3% (50%)</u> - Distributed	County TDA	NO	<u>SL 1985-969:</u> Authorized 3% tax

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES		LEGISLATIVE HISTORY & NOTES
					Y	N	
SL 1991-665 SL 2001-480 , Part II SL 2002-36 SL 2005-233 SL 2006-98 SL 2024-19			between Durham County (57½%) & the City of Durham (42½%); used for any public purpose. <u>Add'l. 2% (33%)</u> - Remitted monthly to the Durham CVB; at least 2/3 to promote travel & tourism; remainder for tourism-related expenditures. <u>Add'l 1% (17%)</u> - Proceeds are remitted to the CVB and used as follows: 1. Through 2033, the first \$1.4M to City of Durham to finance debt on DPAC 2. Beg. 2034, \$500,000 annually to County for improvements to the Museum of Life and Science; any unspent proceeds to CVB, with at least 2/3 for promotion and remainder for TRE 3. Any excess remains with CVB with at least 2/3 for promotion and the remainder for TRE <u>FY 2025-26:</u> <u>First 2% (33%)</u> - Distributed between Durham County (57½%) & the City of Durham (42½%); used for any public purpose.				<u>SL 1991-665:</u> Authorized additional 2% tax <u>SL 2001-480:</u> Authorized additional 1% tax <u>SL 2002-36:</u> Made administrative changes only <u>SL 2005-233:</u> Extended time for approval of financing plan and capped amount of proceeds that may be used for design and engineering costs <u>SL 2006-98:</u> Extended time for financing plan and construction start date from 54 to 64 months after tax levy. <u>SL 2024-19:</u> Phases down over 3 years the percentage of proceeds received by the county and city, which may be used for any public purpose; Beginning with FY 2027-28, 100% of the proceeds will be remitted to the CVB. By April 1, 2034, the distribution will be in accordance with the House Finance Guidelines.

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES		LEGISLATIVE HISTORY & NOTES
					Y	N	
			<u>Next 3% (50%)</u> - Remitted monthly to the Durham CVB; at least 2/3 to promote travel & tourism; remainder for tourism-related expenditures. <u>Next 1% (17%)</u> - Proceeds are remitted to the CVB and used as follows: 1. Through 2033, the first \$1.4M to City of Durham to finance debt on DPAC 2. Beg. 2034, \$500,000 annually to County for improvements to the Museum of Life and Science; any unspent proceeds to CVB, with at least 2/3 for promotion and remainder for TRE 3. Any excess remains with CVB with at least 2/3 for promotion and the remainder for TRE <u>FY 2026-27:</u> <u>First 1% (17%)</u> - Distributed between Durham County (57½%) & the City of Durham (42½%); used for any public purpose. <u>Next 4% (66%)</u> - Remitted monthly to the Durham CVB; at least 2/3 to promote travel & tourism; remainder for tourism-				

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES		LEGISLATIVE HISTORY & NOTES
					Y	N	
			related expenditures. <u>Next 1% (17%)</u> - Proceeds are remitted to the CVB and used as follows: - Through 2033, the first \$1.4M to City of Durham to finance debt on DPAC - Beg. 2034, \$500,000 annually to County for improvements to the Museum of Life and Science; any unspent proceeds to CVB, with at least 2/3 for promotion and remainder for TRE - Any excess remains with CVB with at least 2/3 for promotion and the remainder for TRE <u>FY beg. 7/1/27 through 4/1/34:</u> <u>First 5% (83%)</u> - Remitted monthly to the Durham CVB; at least 2/3 to promote travel & tourism; remainder for tourism-related expenditures. <u>Remaining 1% (17%)</u> - Proceeds are remitted to the CVB and used as follows: - Through 2033, the first \$1.4M to City of Durham to finance debt on DPAC - Beg. 2034, \$500,000 annually to County for				

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES		LEGISLATIVE HISTORY & NOTES
					Y	N	
			improvements to the Museum of Life and Science; any unspent proceeds to CVB, with at least 2/3 for promotion and remainder for TRE 3. Any excess remains with CVB with at least 2/3 for promotion and the remainder for TRE Beg. 4/1/34: 100% of the proceeds of the total 6% tax shall be remitted to the CVB; at least 2/3 must be used for tourism promotion and the remainder for TRE				
Eden, City of SL 2005-233 , Part II.	Rockingham	2%	At least 2/3 for tourism promotion; remainder for tourism-related expenditures, based upon recommendations from and in consultation with the Eden City Council	County TDA	YES*		*Generally conforms but TDA expenditures require consultation with city council <u>SL 2005-233, Part II:</u> Authorized 2% tax to be remitted to county TDA and deposited in separate Eden Account
Edgecombe County SL 2013-255		6%	At least 2/3 to promote travel and tourism; the remainder for tourism related expenses.	County TDA	YES		<u>SL 2013-255:</u> Authorized 6% tax
Elizabeth City, City of SL 1987-175 , Sec. 2	Pasquotank Camden	6%	<u>First 3%:</u>	Joint City-County TDA	NO		<u>SL 1987-175:</u>

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES		LEGISLATIVE HISTORY & NOTES
					Y	N	
SL 2005-16 , Sec. 2			• 50% for tourism promotion • 25% for tourism-related expenditures recommended by the City Council & approved by TDA • 25% for tourism-related expenditures recommended by the Pasquotank County Board of Commissioners and approved by the TDA <u>Additional 3%:</u> At least 2/3 for tourism promotion; remainder for tourism-related expenditures.				Authorized up to 3% when combined with the Pasquotank Co. OT rate, if any. <u>SL 2005-16:</u> Authorized additional 3% tax providing the combined rate with Pasquotank County does not exceed 6%
Elk Park, Town of SL 2001-439 , Part XVI. SL 2002-94	Avery	6%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures	Town TDA	YES		<u>SL 2001-439, Part XVI:</u> Authorized 3% tax <u>SL 2002-94:</u> Authorized additional 3% tax
Elkin, Town of SL 2006-118	Surry Wilkes	6%	At least 2/3 to promote tourism; remainder for tourism-related expenditures.	Town TDA	YES		<u>SL 2006-118:</u> Authorized 6% tax
Fontana Dam, Town of SL 2012-107	Graham	3%	At least 2/3 to promote tourism; remainder for	Town TDA	YES		<u>SL 2012-107:</u> Authorized 3% tax

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES		LEGISLATIVE HISTORY & NOTES
					Y	N	
			tourism-related expenditures				
Forsyth County SL 1983-908, Part VII SL 1985-33 SL 1985-924 SL 1989-870 SL 1997-408 SL 2007-527, Sec. 21ⁱ SL 2009-157 SL 2013-414, Sec. 60(b)ⁱⁱ		6%	• 5% is divided among the municipalities in Forsyth County, other than Winston-Salem, on a pro rata basis, to be used for economic development and cultural and recreational purposes. • 1/3 of the remaining proceeds to Forsyth TDA to further the development of travel, tourism and conventions. • 10% of the remaining proceeds divided among cities in county, other than Winston-Salem, in proportion to amount of tax proceeds collected in each city. Must use 2/3 to promote travel and tourism and 1/3 for travel expenses. • Remainder divided between Winston-Salem and Forsyth County on a pro-rata basis, to be used for economic development and cultural and recreational purposes.	TDA; City Council & Board of Commissioners	NO		SL 1983-908, Part VII: Authorized 2% OT SL 1985-33: Amended membership of TDA SL 1985-924: Authorized additional 1% tax SL 1989-870: Authorized additional 3% OT SL 1997-408: Modified formula for distribution of OT proceeds SL 2007-527, Sec 21: <i>See Endnote i</i> SL 2009-157: Made administrative changes to the TDA, but did not change the rate or the manner in which the funds are distributed. SL 2013-414, Sec. 60(b): <i>See Endnote ii</i>

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES		LEGISLATIVE HISTORY & NOTES
					Y	N	
Four Oaks, Town of SL 2023-144 , Part XV	Johnston	2%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	County TDA	YES		SL 2023-144 , Part XV: Authorized 2% tax
Franklin County SL 2005-233		6%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	County TDA	YES		SL 2005-233 : Authorized 6% tax
Franklin, Town of SL 2004-105	Macon	3%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	Town TDA	YES		SL 2004-105 : Authorized 3% tax
Garner, Town of SL 1989-660 , <i>Repealed</i> SL 1991-594							REPEALED Authority repealed by SL 1991-594 . See endnotes
Gaston County SL 1987-618 SL 1991-49 SL 1995-172 SL 2007-527 , Sec. 21(w) ⁱ		3%	100% to be used for economic development to promote travel and tourism, including administrative expenses of the county's Travel & Tourism office.	Economic Development Commission	NO		SL 1987-618 : Authorized 3% tax to be used for any lawful purpose with 3% merchant discount SL 1991-49 : Modified exemption for certain types of accommodations SL 1995-172 : Modified use of proceeds to be for economic development and administering body to be Economic Development Commission

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES		LEGISLATIVE HISTORY & NOTES
					Y	N	
							<u>SL 2007-527, s. 21(w):</u> <i>See Endnote i</i>
Gastonia, City of SL 2001-439 , Part I	Gaston	3%	Formula is reversed: At least 2/3 for tourism- related expenditures; remainder to promote travel and tourism	City TDA	NO		<u>SL 2001-439, Part I:</u> Authorized 3% tax with a reversed formula
Goldsboro, City of SL 1991-555 SL 1997-447 SL 2013-414 , Sec. 60(l) ⁱⁱ <i>Original legislation repealed by SL 1991-555 only as to Goldsboro:</i> SL 1985-929 , Repealed SL 1987-172 , Repealed SL 1987-319 , Repealed	Wayne	5%	<u>20%:</u> Remitted to Tourism Council to develop tourism, support services, and tourist-related events, and any other appropriate activities to provide tourism related facilities and attractions <u>Remaining 80%:</u> For improving, leasing, constructing, financing, operating, or acquiring facilities and properties as needed to provide for a civic center facility.	Goldsboro Tourism Council and City Council	NO		<u>SL 1991-555:</u> Amended SL 1985-929, SL 1987-172, and SL 1987-319 by repealing all references to the City of Goldsboro; authorized tax of not less than 3% nor more than 5%; directed use of proceeds based on a study of the feasibility of constructing a civic center <u>SL 1997-447:</u> Modified use of tax proceeds to direct 20% of proceeds to Tourism Council <u>SL 2013-414, Sec. 60(l):</u> <i>See Endnote ii</i>

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES		LEGISLATIVE HISTORY & NOTES
					Y	N	
Graham County SL 1985-969 SL 1987-118 SL 1987-195 SL 2007-527 , Sec. 21(k) ⁱ SL 2015-128		3%	At least 2/3 for travel and tourism; remainder for other tourism-related expenditures.	County TDA	YES		<u>SL 1985-969:</u> Authorized 3% tax <u>SL 1987-118:</u> Authorized Travel & Tourism Authorities for certain counties <u>SL 1987-195:</u> Clarified that administrative costs of collecting tax shall be paid from proceeds of the tax <u>SL 2007-527, Sec 21(k):</u> <i>See Endnote i</i> <u>SL 2015-128:</u> Recodified SL 1985-969, s. 1, only as it applies to Graham Co, as Sections 2 and 3 of this act; authorized up to 3% tax and conformed act to uniform administrative provisions and guidelines
Graham County District G SL 2023-144 , Part V.		3%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures	County TDA	YES		<u>SL 2023-144, Part V:</u> Established district consisting of unincorporated areas of county and authorized 3% tax
Grandfather Village SL 2001-439 , Part XVI SL 2002-94	Avery	6%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures	Village TDA	YES		<u>SL 2001-439, Part XVI:</u> Authorized 3% tax <u>SL 2002-94:</u> Authorized additional 3% tax

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES		LEGISLATIVE HISTORY & NOTES
					Y	N	
Granville County SL 1993-454 SL 2000-103 SL 2007-331 SL 2008-45		6%	[Eff. 10/1/2019] At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures	County TDA	YES		<u>SL 1993-454:</u> Authorized 5% tax <u>SL 2000-103:</u> Lowered tax rate to 3%; modified use of proceeds to require 2/3 of proceeds be used for specific tourism-related expenditures identified in act for 7 years with the remainder for promotion; after 7 years, the maximum rate is 5% again and the distribution formula is reversed with at least 2/3 being for promotion and the remainder for tourism-related expenditures <u>SL 2007-331:</u> Authorized additional 1% tax; Modified distribution from 2007 through 2019 to be as follows: of the first 3%, 2/3 for tourism-related expenditures; remainder for protmotion; for the remaining 3%, at least 2/3 for promotion and the remainder for tourism-related expenditures

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES		LEGISLATIVE HISTORY & NOTES
					Y	N	
							<u>SL 2008-45:</u> Amended TDA membership to provide representation for the Town of Butner.
Greensboro, City of SL 1991-22 SL 1995-380 SL 1999-302 SL 2013-414 , Sec. 60(p) ⁱⁱ	Guilford	3%	[This distribution assumes continued debt on the "Coliseum Complex" and despite demolition of the "Greensboro War Memorial Coliseum arena"]: <u>20%:</u> Remitted to TDA to promote travel and tourism and for tourism-related expenditures <u>Up to \$200,000:</u> Remitted to TDA to be placed in a marketing fund to be used only for coliseum rent subsidies to attract large groups that commit to fill at least 5,000 room nights for the event. Any part of the marketing fund that has not been spent or committed at the end of each fiscal year for this purpose shall be credited to the City of Greensboro for use as set out below. <u>Remainder:</u> Retained by city and used only (i) to finance the renovation and expansion of the Greensboro War Memorial Coliseum arena, (ii) to finance the renovation and	City Council; Joint City-County TDA	NO		<u>SL 1991-22:</u> Authorized 3% tax <u>SL 1995-380:</u> Modified use of proceeds to extend to renovation and expansion of the War Memorial Complex <u>SL 1999-302:</u> Modified use of proceeds to provide a marketing fund managed by TDA that may be used for coliseum rent subsidies and conformed act to uniform administrative provisions <u>SL 2013-414, Sec. 60(p):</u> <i>See Endnote ii</i>

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES	LEGISLATIVE HISTORY & NOTES
					Y N	
			expansion of the remainder of the Greensboro War Memorial Complex and acquisition of property in the vicinity of the Complex, and (iii) for maintenance of the Complex. In the event that the funds exceed the amount required for these purposes, the excess shall be retained in a special reserve fund and used (i) to make debt payments where additional funds are needed in any payment period or (ii) to call a portion of the debt.			
Grover, Town of SL 2011-170 , Part III	Cleveland	3%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures	Town TDA	YES	SL 2011-170, Part III: Authorized 3% tax
Guilford County SL 1983-988 SL 1989-39 SL 1991-93 SL 1995-540 SL 2007-527 , Sec. 21(d) ⁱ SL 2013-414 , Sec. 60(d) ⁱⁱ		3%	<u>Guilford County:</u> 70% of the net proceeds to the Greensboro/Guilford County TDA. Remaining 30% of the net proceeds to the City of High Point. <u>Greensboro/Guilford Co TDA:</u> 80% of its share must be allocated for activities and programs promoting and encouraging travel and tourism. Of the remaining 20%, the TDA to allocate \$170,000 each year for	Joint City-County TDA	NO	SL 1983-988: Authorizes 3% tax, with sunset 07-01-89. SL 1989-39: Repealed the sunset of the tax; modified provisions regarding use of the proceeds of the tax, with a 70/30% split allocated between Greensboro/ Guilford Co TDA and the City of High Point; modified membership of TDA from 9 to 13 SL 1991-93:

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES		LEGISLATIVE HISTORY & NOTES
					Y	N	
			specific tourist-related events, including grant programs. The remaining portion of the 20% allocated to the City of Greensboro for convention and tourism capital events <u>City of High Point:</u> 85% of its share of the net proceeds allocated for activities and programs promoting travel and tourism. The remaining 15% of its share of the net proceeds allocated for specific tourist-related events or activities that enhance the development of tourism.				Modified provisions regarding repeal of levy of OT, changing the effective date from at the end of the fiscal year to at the end of the 2nd succeeding fiscal year in which the repeal resolution was adopted. <u>SL 1995-540:</u> Modified appointment of Greensboro/High Point Tourism Dev. Officers <u>SL 2007-527, Sec 21(d):</u> <i>See Endnote i</i> <u>SL 2013-414, Sec. 60(d):</u> <i>See Endnote ii</i>
Halifax County SL 1987-377 SL 1998-109 SL 2005-46, Part I SL 2006-164		5%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	County TDA	YES		<u>SL 1987-377:</u> Authorized 3% OT <u>SL 1998-109:</u> Provided for election of TDA chair by majority vote of TDA members <u>SL 2005-46, Part I:</u> Authorized additional 2% tax; conformed the Authority to uniform guidelines <u>SL 2006-164:</u> Amended composition of the TDA and the reporting requirements; modernized the

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES		LEGISLATIVE HISTORY & NOTES
					Y	N	
							language of the County's current authority.
Harnett County District H SL 2017-202, Part V		6%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	District TDA	YES		<u>SL 2017-202, Part V:</u> Established district consisting of all areas of county exclusive of Averasboro Township; authorized 6% tax (See also <i>Averasboro Township</i>)
Haywood County SL 1983-908 , Part V SL 1985-942 , Sec. 2 SL 1987-48 SL 1995-540 , Part II SL 2007-337		4%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	County TDA	YES		<u>SL 1983-908, Part V:</u> Authorized 2% tax <u>SL 1985-942, Sec. 2:</u> Authorized additional 1% tax <u>SL 1987-48:</u> Limited to 15% the amount of OT revenue in Haywood Co that may be used for administrative expenses. <u>SL 1995-540, Part II:</u> Modified the method of appointment of members of the Haywood Co TDA. <u>SL 2007-337:</u> Authorized additional 1% tax and makes other admin changes.

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES	LEGISLATIVE HISTORY & NOTES
					Y N	
Henderson County SL 1985-962 , <i>Repealed</i> SL 1987-172 SL 1991-55 SL 2007-527 , Sec. 21(p) ⁱ SL 2012-144 SL 2013-61		6%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures	County TDA	YES	<u>SL 1985-962:</u> Authorized 1% tax; repealed by SL 1987-172, Section 4. <u>SL 1987-172:</u> Authorized tax of up to 5% <u>SL 1991-55:</u> Increased penalties for violation of OT laws <u>SL 2007-527, Sec 21(p):</u> <i>See Endnote i</i> <u>SL 2012-144:</u> Authorized additional 1%; creates Henderson TDA (was Henderson Travel and Tourism Committee.); limits members to serve no more than five (5) consecutive years on the TDA <u>SL 2013-61:</u> Repealed requirement that the additional 1% OT be remitted to the Vagabond School of the Drama, Inc.; required distribution of total net proceeds (6%) in accordance with OT guidelines; made a technical correction correcting name of TDA.

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES	LEGISLATIVE HISTORY & NOTES
					Y N	
Hendersonville, City of SL 1985-929 , <i>Repealed</i> SL 1987-172						REPEALED
Hertford County SL 1987-979 SL 2007-527 , Sec. 21(z) ⁱ		3%	100% for any lawful purpose	County TDA	NO	<u>SL 1987-979</u> : Authorized 3% tax and a 3% merchant discount <u>SL 2007-527</u> , Sec 21(z): <i>See Endnote i</i>
Hickory, City of SL 1985-929 , Sec. 1 SL 1987-319 SL 2007-527 , Sec. 21(j) ⁱ SL 2009-169 , Sec. 1.(d) SL 2009-445 , Sec. 29 SL 2017-202 , Sec. 4.1 SL 2022-40	Catawba	6%*	<u>Through 12/31/2039</u> : The Authority may use 2/3 for improving, leasing, constructing, financing, operating, or acquiring facilities and properties as needed to provide for a convention center facility, including parking facilities for the convention center. The remainder must be used to promote travel and tourism. <u>After December 31, 2039</u> : The Authority must use at least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	Joint TDA	NO	Levy and rate must be by joint resolution with City of Conover <u>SL 1985-929</u> , Sec. 1: Authorized levy of tax between 3% and 5% only by joint resolution with City of Conover with the priority for use to be for construction of civic facility <u>SL 1987-319</u> : Made administrative changes <u>SL 2007-527</u> , Sec 21(j): <i>See Endnote i</i> <u>SL 2009-169</u> , Sec. 1.(d): Rewrote Hickory's OT authorization; authorized additional 1% tax; provided for 2/3 use toward convention

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES	LEGISLATIVE HISTORY & NOTES
					Y N	
						center until 2019; after 2019, 2/3 must be used for promotion and remainder for tourism-related expenditures; provides for establishment of Hickory-Conover TDA and membership <u>SL 2009-445, Sec. 29:</u> Made technical correction <u>SL 2017-202, Sec 4.1:</u> Provided that debt issued for these improvements, secured by OT proceeds, must mature on or before December 31, 2029. <u>SL 2022-40:</u> Extended for another 10 years the period to use 2/3 of proceeds for convention center/debt
High Point, City of SL 2001-11 (See also Guilford Co)	Davidson Forsyth Guilford Randolph	3%*	<u>3% OT:</u> Only for furniture market promotion and visitor assistance <u>30% received from Guilford County:</u> 85% may be used to promote travel and tourism; The remaining 15% may be used for specific tourist-related events and activities.	City Council	NO	<u>SL 2001-11:</u> Authorized 3% tax; authorizes a furniture showroom privilege license tax to become effective no earlier than July 1 following its levy. The City also receives 30% of OT proceeds levied by Guilford County

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES	LEGISLATIVE HISTORY & NOTES
					Y N	
Hillsborough, Town of SL 2011-69	Orange	3%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenses.	Town TDA	YES	<u>SL 2011-69:</u> Authorized 3% tax
Holden Beach, Town of SL 1987-963 SL 1997-364 , Sec. 9	Brunswick	5%	<u>First 3%:</u> Only for tourism-related expenditures, defined to include: criminal justice system, fire protection, health facilities, waste & sewage treatment, control & repair of waterfront erosion. <u>Additional 2%:</u> Only for beach renourishment and protection.	Town Council	NO	<u>SL 1987-963:</u> Authorized 3% tax <u>SL 1997-364, Sec. 9:</u> Authorized additional 2% tax
Huntersville, Town of	Mecklenburg					Receives distribution from Mecklenburg County (<i>See Mecklenburg; SL 2001-402</i>)
Hyde County SL 1991-230 SL 1991-806		3%	100% for any public purpose. • 90% of the proceeds collected on the mainland	Board of Commissioners	NO	<u>SL 1991-230:</u> Authorized 3% tax

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES		LEGISLATIVE HISTORY & NOTES
					Y	N	
SL 2007-527 , Sec. 21(ee) ⁱ			must only be used for the direct benefit of the mainland. 90% of the proceeds collected on Ocracoke must only be used for the direct benefit of the island.				<u>SL 1991-806:</u> Modified use provisions <u>SL 2007-527, s. 21(ee):</u> <i>See Endnote i</i>
Indian Trail, Town of SL 2023-144 , Part II.	Union	5%*	At least 2/3 for tourism promotion; remainder for tourism-related expenditures	Town TDA	YES		<u>SL 2023-144, Part II:</u> Authorized a tax of up to 5%, which must be approved in a referendum
Iredell County SL 1985-570 , Part IV SL 2007-527 , Sec. 21(f) ⁱ <i>Repealed by</i> SL 2023-144 , Part XVII.							REPEALED Iredell County's authority to levy 3% countywide was repealed by SL 2023-144, Part XVII
Iredell County District I SL 2023-144 , Part XVII.		6%	At least 2/3 for tourism promotion; remainder for tourism-related expenditures	District TDA	YES		<u>SL 2023-144, Part XVII:</u> Established district consisting of unincorporated areas of county and authorized district to levy a 6% tax
Jackson County SL 1985-969 SL 1987-118 SL 1987-195		6%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	County TDA	YES		<u>SL 1985-969:</u> Authorized 3% tax <u>SL 1987-118:</u> Authorized Travel &

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES		LEGISLATIVE HISTORY & NOTES
					Y	N	
SL 2007-527 , Sec. 21(k) ⁱ SL 2011-170 , Part II SL 2012-100							Tourism Authorities for certain counties SL 2007-527 , Sec 21(k): <i>See Endnote i</i> SL 2011-170 , Part II: Authorized additional 3% tax SL 2012-100 : Amended SL 2011-170 to postpone changes made to Jackson County's OT until January 1, 2013
Jacksonville, City of SL 2009-429 , Part I SL 2017-202 , Part III		3%	<u>For 7/1/2017 – 7/1/2027:</u> City shall use at least 2/3 for tourism-related expenditures and remainder for tourism promotion. <u>Effective 7/1/2027:</u> At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures	City TDA	NO		SL 2009-429 , Part I: Authorized 3% tax that conformed to guidelines SL 2017-202 , Part III: Modified distribution such that 2/3 may be used for tourism-related expenditures for a period of 10 years and then revert to standard formula; should conform by 7/1/2027
Jefferson, Town of SL 2023-144 , Part VII.	Ashe	3%	At least 2/3 for tourism promotion; remainder for tourism-related expenditures	Town TDA	YES		SL 2023-144 , Part VII: Authorized 3% tax
Johnston County SL 1987-647		3%	Revenue is remitted to listed organizations in towns from	County TDA	NO		SL 1987-647 : Authorized 3% tax and 3%

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES		LEGISLATIVE HISTORY & NOTES
					Y	N	
SL 2007-527 , Sec. 21(x) ⁱ SL 2013-414 , Sec. 60(n) ⁱⁱ			which tax is collected and shall be used for: (1) Direct advertising costs for visitor promotions, conventions, or tourism, including outdoor advertising, print media, broadcast media, and brochures (2) Marketing and promotions expenses, including test market programs, consultant fees, entertainment, housing expenses, travel expenses, and registration fees (3) Operating expenses for tourist-oriented events (4) Administrative expenses (5) Tourist-related capital projects in Johnston County (6) Other expenses that aid and encourage visitor promotions, conventions or tourism (7) Any additional administrative costs incurred by the county				merchant discount <u>SL 2007-527, Sec 21(x):</u> <i>See Endnote i</i> <u>SL 2013-414, Sec. 60(n):</u> <i>See Endnote ii</i>
Jonesville, Town of SL 2002-95 SL 2007-340 , Sec. 1	Yadkin	6%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures	Town TDA	YES		<u>SL 2002-95:</u> Authorized 3% tax <u>SL 2007-340, Sec. 1:</u> Authorized additional 3% tax

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES	LEGISLATIVE HISTORY & NOTES
					Y N	
Kenly, Town of SL 2006-120 , Part III	Johnston	2%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures	County TDA	YES	<u>SL 2006-120, Part III:</u> Authorized 2% tax; proceeds shall supplement rather than supplant proceeds being used in the Town of Kenly derived from the OT levied by Johnston Co
Kill Devil Hills, Town of (<i>See Dare County and SL 2001-394</i>)	Dare		Receives distribution from county in proportion to the amount of ad valorem taxes levied by the town for the preceding fiscal year. The revenue distributed to the towns may only be used for capital expenditures.			
Kings Mountain, City of SL 2001-439 , Part II	Cleveland Gaston	3%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	City TDA	YES	<u>SL 2001-439, Part II:</u> Authorized 3% tax
Kinston, City of SL 1993-648 SL 2007-527 , Sec. 21(II) ⁱ SL 2013-414 , Sec. 60(r) ⁱⁱ	Lenoir	3%	Net proceeds must be used to further the development of travel, tourism, and conventions through advertising and promotion, to sponsor tourist-oriented events, and to finance tourist-related capital projects	Joint County-City TDA	NO	<u>SL 1993-648:</u> Authorized 3% tax <u>SL 2007-527, s. 21(II):</u> <i>See Endnote i</i> <u>SL 2013-414, Sec. 60(r):</u> <i>See Endnote ii</i>

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES		LEGISLATIVE HISTORY & NOTES
					Y	N	
Kitty Hawk, Town of (<i>See Dare County and SL 2001-394</i>)	Dare		Receives distribution from county in proportion to the amount of ad valorem taxes levied by each town for the preceding fiscal year. The revenue distributed to the towns may only be used for capital expenditures.				
Kure Beach, Town of SL 2002-138	New Hanover	3%	50% to promote travel and tourism; 50% for tourism-related expenditures	County TDA	NO		SL 2002-138: Authorized 3% tax; TDA must consult with town before making expenditures from beach town account
Lake Santeetlah, Town of SL 2015-102	Graham	3%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	Town TDA	YES		SL 2015-102: Authorized 3% tax
Lansing, Town of SL 2023-144 , Part VI.	Ashe	3%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures	Town TDA	YES		SL 2023-144, Part VI: Authorized 3% tax
Lee County SL 1987-538 SL 2007-527 , Sec. 21(u) ⁱ		3%	Maintenance of Community Resource Center Any excess over the amount needed for maintenance may be used for any lawful purpose.	Board of Commissioners	NO		SL 1987-538: Authorized 3% tax and 3% merchant discount. SL 2007-527, Sec 21(u): <i>See Endnote i</i>

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES	LEGISLATIVE HISTORY & NOTES
					Y N	
Leland, Town of SL 2008-64	Brunswick	3%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	Town TDA	YES	<u>SL 2008-64:</u> Authorized 3% tax
Lenoir, City of SL 2009-429	Caldwell	3%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	City TDA	YES	<u>SL 2009-429</u>
Lenoir County SL 1987-561 SL 1989-576 SL 1989-770 , Sec. 61 SL 1991-76 SL 2007-527 , Sec. 21(v) ⁱ SL 2013-414 , Sec. 60(m) ⁱⁱ		3%	To further the development of travel, tourism, and conventions in Lenoir County through advertising and promotion, to sponsor tourist-oriented events and activities in Lenoir County, and to finance tourist-related capital projects in Lenoir County.	Joint County-City TDA	NO	<u>SL 1987-561:</u> Authorized Lenoir Co to levy 3% OT with remittance to Lenoir County TDA <u>SL 1989-576:</u> Changes name of Lenoir Co TDA to Kinston-Lenoir Co TDA <u>SL 1989-770, Sec. 61:</u> TC to SL 1989-576, Sec. 2 <u>SL 1991-76:</u> Modifies composition of Kinston-Lenoir Co TDA <u>SL 2007-527, Sec 21(v):</u> <i>See Endnote i</i> <u>SL 2013-414, Sec. 60(m):</u> <i>See Endnote ii</i>

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES		LEGISLATIVE HISTORY & NOTES
					Y	N	
Lexington, City of SL 1993-602 SL 2001-365	Davidson	6%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	City TDA	YES		<u>SL 1993-602:</u> Authorized not more than 3% to City of Lexington; the combined room occupancy tax rates for Davidson Co and any city or town in Davidson Co may not exceed 6%. <u>SL 2001-365:</u> Authorized additional 3% tax
Lincoln County SL 1993-549 SL 2007-527 , Sec. 21(jj) ⁱ		3%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	Board of Commissioners	NO		<u>SL 1993-549:</u> Authorized 3% tax; combined rates for county and any city in Lincoln Co may not exceed 6% <u>SL 2007-527, s. 21(jj):</u> <i>See Endnote i</i>
Lincolnton, City of SL 2001-439 , Part III.	Lincoln	3%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	City TDA	YES		<u>SL 2001-439, Part III:</u> Authorized 3% tax
Long Beach, Town of (<i>See: Oak Island</i>) SL 1983-908 , Part IX SL 1983-985 SL 1989-857 SL 1998-207 SL 1999-66							The charters of the towns of Yaupon Beach and Long Beach were consolidated to create Town of Oak Island, effective 07-01-1999

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES	LEGISLATIVE HISTORY & NOTES
					Y N	
Lowell, City of SL 2009-429 , Part III	Gaston	3%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	City TDA	YES	<u>SL 2009-429, Part III:</u> Authorized 3% tax
Lumberton, City of SL 1983-908 , Part IX, as amended by SL 1983-1028 SL 1987-935 SL 1997-361 , Sec. 2 SL 2007-332 SL 2011-137	Robeson	6%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	City TDA	YES	<u>SL 1983-908, Part IX:</u> Original act did not include Lumberton, but was later amended to include Lumberton via SL 1983-1028 <u>SL 1983-1028:</u> Amended SL 1983-908, Part IX to authorize Lumberton to levy a 3% tax <u>SL 1997-361:</u> Recodified & rewrote original legislation; authorized additional 3% temp tax to expire 08-01-2000; provided for distribution of new tax <u>SL 2007-332:</u> With 2nd 3% having expired, rewrote act to conform to guidelines <u>SL 2011-137:</u> Authorized additional 3% tax

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES	LEGISLATIVE HISTORY & NOTES
					Y N	
Macon County SL 1985-969 , Sec. 3 SL 1987-118 SL 1987-195 SL 2007-527 , Sec. 21(k) ⁱ		3%	100% to promote travel and tourism	County TDA	YES*	*Generally conforms because 100% is used for tourism promotion but doesn't incorporate guideline definitions or standard TDA language <u>SL 1985-969:</u> Authorizes 3% OT for certain counties <u>SL 1987-118:</u> Authorizes Travel & Tourism Authorities for certain counties <u>SL 1987-195:</u> Clarified that administrative costs of collecting tax must be paid from proceeds of tax <u>SL 2007-527, Sec 21(k):</u> <i>See Endnote i</i>
Madison County SL 1997-102 SL 2005-118 SL 2013-414 , Sec. 60(h) ⁱⁱ		5%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures	County TDA	YES	<u>SL 1997-102:</u> Authorized 3% tax <u>SL 2005-118:</u> Authorized additional 2% tax <u>SL 2013-414, Sec. 60(h):</u> <i>See Endnote ii</i>
Manteo, Town of SL 2001-394	Dare		Receives distribution from county in proportion to the amount of ad valorem taxes			<i>See also Dare County</i>

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES		LEGISLATIVE HISTORY & NOTES
					Y	N	
			levied by each town for the preceding fiscal year. The revenue distributed to the towns may only be used for capital expenditures.				
Martin County SL 1991-80 SL 2006-127 SL 2013-414 , Sec. 60(g) ⁱⁱ		6%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	County TDA	YES		<u>SL 1991-80:</u> Authorized 3% tax <u>SL 2006-127:</u> Authorized additional 3% tax <u>SL 2013-414, Sec. 60(g):</u> <i>See Endnote ii</i>
Matthews, Town of	Mecklenburg						Receives distribution from county (<i>See Mecklenburg: SL 2001-402</i>)
McAdenville, Town of SL 2009-429 , Part IV	Gaston	3%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	Town TDA	YES		<u>SL 2009-429, Part IV:</u> Authorized 3% tax
McDowell County SL 1985-892 SL 2007-315 SL 2024-21		6%	At least 2/3 to promote travel and tourism. Remainder for tourism-related expenditures.	County TDA	YES		<u>SL 1985-892:</u> Authorized 3% tax <u>SL 2007-315:</u> Authorized additional 2% tax <u>SL 2024-21:</u> Authorized additional 1% tax

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES	LEGISLATIVE HISTORY & NOTES
					Y N	
Mecklenburg County SL 1983-908 , Part IV SL 1989-821 SL 1989-922 SL 1995-17 , Sec.19 SL 2001-402 SL 2005-68 SL 2009-445 , Sec. 30 SL 2011-160 SL 2012-194 , Sec. 69 SL 2013-26 , Sec. 1 SL 2023-144 , Part XXV.		8%	<u>First 3%</u> - Distributed to the City of Charlotte to provide for convention center facilities. <u>Second 3%</u> - Distributed to 6 towns in the county. For the five fiscal years beginning with 2001-2002, the towns of Cornelius, Davidson, Huntersville, Matthews, Mint Hill, and Pineville would each receive an amount equal to 50% of the amount of meals tax collected in that town during the previous fiscal year, subject to a cap on the total amount which varies by fiscal year. At the end of this 5-year period, each town would receive each year the greater of (1) 50% of the amount of meals tax collected in the town or (2) an amount agreed upon in an interlocal agreement between the town and the City of Charlotte. Funds distributed to the towns may be used for various tourism-related expenditures. The distribution to the towns will sunset upon the latest of 3 dates (See SL 2001-402, Sec.3) <u>Additional 2%</u> - May only be used for the NASCAR Hall of Fame Museum facility. The authority to levy this 2% expires	Board of Commissioners	NO	<u>SL 1983-908, Part IV:</u> Authorized 3% tax <u>SL 1989-821:</u> Authorized up to 1% prepared food and beverage tax effective 01-01-1992, all for distribution to City of Charlotte for a convention center Authorized up to 6% occupancy tax Although distribution of the 2nd 3% comes from OT proceeds, it is measured by meals tax proceeds. <u>SL 2001-402, Sec. 4:</u> Modified membership of the Charlotte Coliseum Authority. <u>SL 2005-68:</u> Additional 2% for NASCAR Hall of Fame Financing <u>SL 2011-160:</u> Requires distribution of local taxes to the Lake Norman Convention and Visitors Bureau as specified in the act <u>SL 2012-194, Sec. 69:</u> Clarifies distribution of occupancy tax and food and beverage tax proceeds on a quarterly basis to the Lake Norman Convention and Visitors' Bureau <u>SL 2013-26:</u>

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES		LEGISLATIVE HISTORY & NOTES
					Y	N	
			July 1, 2060.				Expands permissible uses of the proceeds
Mint Hill, Town of	Mecklenburg						Receives distribution from Mecklenburg County (<i>See Mecklenburg</i> ; SL 2001-402)
Mitchell County SL 1987-141 SL 2007-527 , Sec. 21(m) ⁱ SL 2022-40 SL 2023-144 , Part XII		6%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures	County TDA	YES		<u>SL 1987-141:</u> Authorized 3% tax and 3% merchant discount administered by Chamber of Commerce <u>SL 2007-527, Sec. 21(m):</u> <i>See Endnote i</i> <u>SL 2022-40:</u> Conformed act to guidelines, including requiring establishment of a TDA <u>SL 2023-144, Part XII:</u> Authorized additional 3% tax
Mocksville, Town of SL 2010-78 , Sec. 2	Davie	3%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures	Town TDA	YES		<u>SL 2010-78, Sec. 2:</u> Authorized 3% tax
Monroe, City of SL 2001-439 , Part IV.	Union	5%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	City TDA	YES		<u>SL 2001-439, Part IV:</u> Authorized up to 5% with a temporarily reversed formula for 10 years (reversal has

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES	LEGISLATIVE HISTORY & NOTES
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						expired)
Montgomery County SL 2001-434 , Part III SL 2010-78 , Sec. 5		6%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures	County TDA	YES	SL 2001-434 : Authorized 3% tax SL 2010-78, Sec. 5 : Authorized additional 3% tax
Moore County SL 1987-188 SL 2007-527 , Sec. 21(q) ⁱ SL 2011-113 SL 2015-256		6%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	County TDA	YES	SL 1987-188 : Authorized 3% tax SL 2007-527, Sec 21(q) : <i>See Endnote i</i> SL 2011-113 : Recodified act to make it conform to guidelines SL 2015-256 : Authorized additional 3% tax
Mooresville, Town of SL 1991-296 SL 1991-577 , Sec. 4 SL 1999-258 SL 2021-50	Iredell	4%*	At least 75% to promote travel and tourism; the remainder for tourism-related expenditures.	Town TDA	NO**	*When combined with Iredell County tax, total rate may not exceed 6% SL 1991-296 : Authorized 2% tax and a 3% merchant discount SL 1991-577, Sec. 4 : Repealed merchant's

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES	LEGISLATIVE HISTORY & NOTES
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						discount <u>SL 1999-258:</u> Authorized additional 2% tax; conformed act to uniform provisions in §160A- 215. <u>**SL 2021-50:</u> Modified composition of TDA; does not specifically require that 1/3 of the members be collectors of the tax
Mount Airy, City of SL 1997-410 SL 2003-281, Sec. 12	Surry	6%	At least 2/3 to promote travel and tourism; remainder for tourism-related exp enditures	City TDA	YES	<u>SL 1997-410:</u> Authorized 3% tax <u>SL 2003-281, Sec. 12:</u> Authorized additional 3% tax and conformed act to guidelines
Mount Holly, City of SL 2009-429 , Part V	Gaston	3%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	City TDA	YES	<u>SL 2009-429, Part V:</u> Authorized 3% tax
Murfreesboro, Town of SL 2009-428	Hertford	3%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures	Town TDA	YES	<u>SL 2009-428:</u> Authorized 3% tax
Nags Head, Town of SL 2001-394	Dare		Receives distribution from county in proportion to the			<i>See also Dare County</i>

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES	LEGISLATIVE HISTORY & NOTES
					Y N	
			amount of ad valorem taxes levied by each town for the preceding fiscal year. The revenue distributed to the towns may only be used for capital expenditures.			
Nash County SL 1987-32 SL 1993-545 SL 1997-255 SL 2001-349		5%	<u>First 3%:</u> At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures. <u>Second 2%:</u> To the City of Rocky Mount to be used only for tourism-related expenditures within Nash County. The expenditures must be specifically approved in advance by the Nash TDA.	County TDA (1st 3%) & City Council (2nd 2%)	NO	<u>SL 1987-32:</u> Authorized 3% tax <u>SL 1993-545:</u> Modified distribution to be at least 2/3 for promotion; remainder for tourism-related expenditures; merchant discount to match State discount, and composition of TDA <u>SL 1997-255:</u> Authorized additional 3% tax to be used exclusively for construction, operation, and marketing of a convention center. <u>SL 2001-349:</u> Reduced additional tax from 3% to 2% and modified use of additional tax by requiring that funds be remitted to the City of Rocky Mount & used for tourism-related expenditures specifically approved by Nash TDA; modified TDA by requiring at least 1/3 of the members be individuals affiliated with businesses that collect tax in the county

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES		LEGISLATIVE HISTORY & NOTES
					Y	N	
New Hanover County SL 1983-908 , Part VIII SL 1983-987 SL 1985-726 SL 1985-971 SL 1995-540 , Part III SL 2002-138 SL 2003-166 SL 2006-167		3%	<u>Proceeds derived INSIDE Wilmington Convention Center District:</u> 100%: Deposited into convention center account and remitted quarterly to City of Wilmington <u>Proceeds derived OUTSIDE Wilmington Convention Center District:</u> 60%: Beach nourishment 40%: To TDA to promote travel and tourism	County TDA		NO	<u>SL 1983-908, Part VIII:</u> Authorized 2% tax <u>SL 1983-987:</u> Modified distribution of tax <u>SL 1985-726:</u> Authorized board of commissioners to compromise OT penalties <u>SL 1985-971:</u> Authorized additional 1% tax and modified distribution formula <u>SL 1995-540:</u> Modified distribution formula <u>SL 2002-138:</u> Conformed act to uniform administrative provisions, added a definition of "beach nourishment," required the Cape Fear Coast Convention and Visitors Bureau be established as a TDA and provided certain membership requirements, and modified distribution provisions, prohibited funds remitted to TDA to be used for a convention center <u>SL 2003-166:</u>

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES		LEGISLATIVE HISTORY & NOTES
					Y	N	
							Modified provision for ex officio members of TDA <u>SL 2006-167:</u> Created Wilmington Convention Center District and modified distribution of county & city OT proceeds from accommodations located in the District
New Hanover County District U SL 2006-167, Sec. 7 SL 2014-87		3%	At least 2/3 to promote travel and tourism; remainder for tourism related expenditures.	County TDA	YES		<u>SL 2006-167, Sec.7:</u> Established taxing district consisting of unincorporated areas of county and authorized district to levy a 3% tax to be used for beach nourishment <u>SL 2014-87:</u> Modified use of tax, eff. 7/1/14, to be at least 2/3 for tourism promotion and remainder for tourism-related expenditures
Newland, Town of SL 2001-439 , Part XVI. SL 2002-94	Avery	6%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	Town TDA	YES		<u>SL 2001-439, Part XVI:</u> Authorized 3% tax <u>SL 2002-94:</u> Authorized additional 3% tax

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES	LEGISLATIVE HISTORY & NOTES
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Northampton County SL 2007-223		6%	At least 2/3 to promote travel and tourism. Remainder for tourism-related expenditures.	County TDA	YES	<u>SL 2007-223:</u> Authorized 6% tax
North Topsail Beach, Town of SL 2001-439 , Part V.	Onslow	3%	100% used for beach nourishment	Town Council	NO	<u>SL 2001-439, Part V:</u> Authorized 3% tax
Oak Island, Town of* SL 1991-820 SL 1997-364 SL 1999-66 *A consolidation of Town of Long Beach and Town of Yaupon Beach	Brunswick	5%	<u>First 3% (60%):</u> Tourism-related expenditures defined to include criminal justice system, fire protection, public facilities and utilities, health facilities, solid waste and sewage treatment, and the control and repair of waterfront erosion. These funds may not be used for services normally provided by the town on behalf of its citizens unless these services promote tourism and enlarge its economic benefits by enhancing the ability of the town to attract and provide for tourists. <u>Additional 2% (40%):</u> Beach renourishment and protection.	Town Board of Commissioners	NO	<u>SL 1991-820:</u> Authorized 3% tax for Town of Yaupon Beach for tourism-related expenditures <u>SL 1997-364:</u> Authorized additional 2% for Yaupon Beach to be used for beach renourishment <u>SL 1999-66:</u> Consolidated the charters of the towns of Yaupon Beach and Long Beach and created the new consolidated Town of Oak Island, effective 07-01-1999

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES	LEGISLATIVE HISTORY & NOTES
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Ocean Isle Beach, Town SL 1983-908 SL 1983-985 SL 1989-857 SL 1997-364 SL 2007-527 , Sec. 21 ⁱ	Brunswick	5%	<u>First 3% (60%):</u> Tourism-related expenditures defined to include criminal justice system, fire protection, public facilities and utilities, health facilities, solid waste and sewage treatment, and the control and repair of waterfront erosion. The term does not include expenditures for services normally provided by the town on behalf of its citizens unless these services promote tourism and enlarge its economic benefits by enhancing the ability of the town to attract and provide for tourists. <u>Additional 2% (40%):</u> Beach renourishment and protection.	Town Council	NO	<u>SL 1983-908:</u> Authorized 3% tax <u>SL 1983-985:</u> Added provision to prevent disclosure of OT returns <u>SL 1989-857:</u> Added authority to compromise or forgive occupancy tax penalties <u>SL 1997-364:</u> Rewrote prior acts and authorized additional 2% for beach renourishment <u>SL 2007-527, Sec 21:</u> <i>See Endnote i</i>
Ocracoke Township Taxing District SL 2006-128	Hyde	2%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	Township TDA	YES	<u>SL 2006-128:</u> Established taxing district the boundaries of which are coterminous with the township and authorized 2% tax

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES	LEGISLATIVE HISTORY & NOTES
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Onslow County SL 1985-857 SL 2007-527 , Sec. 21(g) ⁱ SL 2013-414 , Sec. 60(e) ⁱⁱ		3%	100% deposited in general fund to be used only to further the development of travel, tourism and conventions in the county.	Board of Commissioners	NO	<u>SL 1985-857:</u> Authorized 3% tax to be deposited into general fund to further development of tourism in the county <u>SL 2007-527, Sec 21(g)</u> <i>See Endnote i</i> <u>SL 2013-414, Sec. 60(e):</u> <i>See Endnote ii</i>
Orange County SL 1991-392 SL 2007-527 , Sec. 21(ff) ⁱ		3%	Allocation of revenues decided during budgeting process, but at least 10% must be used to provide funding for visitor information services & to support cultural events.	Board of Commissioners	NO	<u>SL 1991-392:</u> Authorized 3% tax <u>SL 2007-527, s. 21(ff):</u> <i>See Endnote i</i>
Oriental, Town of SL 1993-695 SL 2007-527 , s. 21(mm) ⁱ	Pamlico	3%	*At least 25% to promote travel and tourism; the remainder for tourism-related expenditures, defined to include expenditures to construct, maintain, or repair a visitors' center, a convention facility, a museum, an historic attraction, or a publicly owned waterfront structure, but does not include other capital expenditures.	Board of Commissioners	NO	<u>SL 1993-695:</u> Authorized 3% tax and merchant discount equal to State discount <u>SL 2007-527, s 21(mm):</u> <i>See Endnote i</i> <u>*2023 Update:</u> Per Town Resolution 2023-12, distribution of OT was modified to be as follows:

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES		LEGISLATIVE HISTORY & NOTES
					Y	N	
							50% to Harbor Waterfront 30% to Tourism 20% to Parks and Recreation
Pasquotank County SL 1987-175 SL 2005-16		6%	<u>First 3%:</u> 50% for tourism promotion 25% for tourism-related expenditures recommended by the Elizabeth City city council and approved by the TDA 25% for tourism-related expenditures recommended by the Pasquotank Co. Bd of Commissioners and approved by the TDA <u>Second 3%:</u> At least 2/3 for tourism promotion; remainder for tourism-related expenditures	Joint City-County TDA	NO		<u>SL 1987-175:</u> Authorized 3% tax and required proceeds to be remitted to Elizabeth City for 8 years for tourism; after 8 years, the proceeds were to be divided 50/50 between the county and city but still used for tourism <u>SL 2005-16:</u> Authorized additional 3% tax; required remittance to joint city-county TDA, modified distribution of proceeds; conformed administrative provisions
Pembroke, Town of SL 2010-78	Robeson	3%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	Town TDA	YES		<u>SL 2010-78:</u> Authorized 3% tax
Pender County SL 1987-970 <i>Repealed</i> SL 2001-439 , Part VI. SL 2024-21		6%	<u>First 3%:</u> Proceeds from accommodations in Surf City are remitted to Surf City and used for beach	County TDA & Surf City and Topsail Beach town officials.	YES		<u>SL 2001-439, Part VI:</u> Repealed existing 3% and replaces it with new authority to levy 3%

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES		LEGISLATIVE HISTORY & NOTES
					Y	N	
			nourishment. Proceeds from accommodations in Topsail Beach are remitted to Topsail Beach and used for beach nourishment. The remainder of Pender County proceeds shall be remitted to the TDA and at least 2/3 must be used to promote travel and tourism; remainder for tourism-related expenditures. <u>Second 3%:</u> Proceeds shall be remitted to the Pender County TDA and at least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.				<i>[There is an interlocal agreement between county and towns whereby the towns collect and administer the tax.]</i> <u>SL 2024-21:</u> Established taxing District P consisting of unincorporated areas of county and authorized district to levy a 3% tax to be used for beach nourishment
Perquimans County SL 2007-19		6%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	County TDA	YES		<u>SL 2007-19:</u> Authorized 6% tax
Person County SL 1997-364 , Section 14 SL 2011-161		6%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	County TDA	YES		<u>SL 1997-364, Sec. 14:</u> Authorized 5% tax <u>SL 2011-161:</u> Authorized additional 1%

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES	LEGISLATIVE HISTORY & NOTES
					Y N	
Pilot Mountain, Town of SL 2006-118 , Part II	Surry Yadkin	6%	At least 2/3 to promote tourism; remainder for tourism-related expenditures.	Town TDA	YES	<u>SL 2006-118, Part II:</u> Authorized 6% tax
Pineville, Town of	Mecklenburg					Receives distribution from county (<i>See Mecklenburg SL 2001-402</i>)
Pitt County SL 1987-143 SL 1993-410 SL 2007-527 , Sec. 21(n) ⁱ		6%	<u>First 3%:</u> At least 2/3 to promote travel and tourism in Pitt County and the City of Greenville; the remainder for tourism-related expenditures. <u>Second 3%:</u> Proceeds shall be used to reimburse the City of Greenville and Pitt County for any funds they have advanced to purchase property for a convention center. After full reimbursement of the city and county, the money shall be used to finance a convention center.	Pitt-Greenville Convention and Visitors Authority	NO	<u>SL 1987-143:</u> Authorized 3% tax <u>SL 1993-410:</u> Authorized additional 3% tax <u>SL 2007-527, Sec 21(n):</u> <i>See Endnote i</i>
Polk County SL 1985-969 SL 2007-527 , Sec. 21(k) ⁱ		3%	100% to promote travel and tourism.	Board of Commissioners	NO	<u>SL 1985-969:</u> Authorized 3% tax to be placed in Travel and Tourism Fund to be used to promote tourism

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES	LEGISLATIVE HISTORY & NOTES
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						<u>SL 2007-527, Sec 21(k):</u> <i>See Endnote i</i>
Raleigh, City of SL 1985-850 SL 1991-594 , <i>Repealed</i>						REPEALED Authority repealed by SL 1991-594 . See endnotes
Randolph County SL 1997-342		5%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	County TDA	YES	<u>SL 1997-342:</u> Authorized 5% tax
Ranlo, Town of SL 2009-429 , Part VI	Gaston	3%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	Town TDA	YES	<u>SL 2009-429, Part VI:</u> Authorized 3% tax
Reidsville, City of SL 2005-233	Rockingham	2%	At least 2/3 for tourism promotion; remainder for tourism-related expenditures, based on recommendations from and in consultation with the Reidsville City Council, Proceeds are to be deposited into separate Reidsville Account	County TDA	YES	<u>SL 2005-233:</u> Authorized 2% tax
Richmond County SL 1987-969 SL 2001-439 , Part XIII. SL 2013-414 , Sec. 60(j)		6%	50% to promote travel and tourism in county; 50% for tourism-related expenditures in the City of Rockingham	County TDA	NO	<u>SL 1987-969:</u> Authorized 3% tax <u>SL 2001-439, Part XIII:</u>

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES	LEGISLATIVE HISTORY & NOTES
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			that are mutually agreed upon by the Richmond County TDA and the Rockingham City Council.			Authorized additional 3% tax <u>SL 2013-414, Sec. 60(j):</u> <i>See Endnote ii</i>
Roanoke Rapids, City of SL 2005-46 , Part II	Halifax	1%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures The proceeds are remitted to the Halifax County TDA and held in a separate account, administered separately from the proceeds of the county tax	County TDA	YES	<u>SL 2005-46:</u> Authorized a 1% tax; conformed the TDA to guidelines
Robbinsville, Town of SL 2013-351	Graham	3%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	Town TDA	YES	<u>SL 2013-351:</u> Authorized 3% tax
Rockingham, City of (<i>See Richmond County</i> SL 2001-439, Part XIII)	Richmond		Receives distribution from county tax (50% of county tax is to be used for tourism-related expenditures in the City of Rockingham that are mutually agreed upon by the Richmond County TDA and the Rockingham City Council.)			<u>SL 2001-439, Part XIII:</u> The additional 3% tax authorized for Richmond County included a requirement that 50% of the proceeds be used for tourism-related expenditures in Rockingham

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES	LEGISLATIVE HISTORY & NOTES
					Y N	
Rockingham County SL 1991-322 SL 1995-52 SL 2005-233 SL 2009-428 SL 2017-59		4%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	County TDA	NO*	*Conforms to guidelines, except for TDA membership SL 1991-322: Authorized 3% tax SL 1995-52: Modified membership of Rockingham TDA SL 2005-233: Conformed existing legislation to uniform administrative provisions SL 2009-428: Authorized additional 1% tax SL 2017-59: Modified composition of TDA by removing requirement that 1/3 be collectors and 1/2 active in promotion of tourism
Rocky Mount, City of <i>(See Nash County,</i> SL 2001-349	Nash		Receives distribution from county; the proceeds of Nash County's additional 2% tax must be remitted to the City of Rocky Mount and used only for tourism-related expenditures The expenditures must be specifically approved in			SL 2001-349: Amended the use of Nash County's additional 2% tax proceeds by requiring that funds be remitted to the City of Rocky Mount & used for tourism-related expenditures

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES	LEGISLATIVE HISTORY & NOTES
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			advance by the Nash TDA.			
Rowan County SL 1987-379 SL 1991-882 SL 2001-439 , Part VIII. SL 2017-202 , Part VIII		6%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	County TDA	YES	<u>SL 1987-379:</u> Authorized 3% tax and 3% merchant discount <u>SL 1991-882:</u> Modified remittance from Salisbury Chamber of Commerce to newly created Rowan County Convention and Visitors Bureau <u>SL 2001-439, Part VIII:</u> Required remittance to TDA and established membership; conformed to uniform administrative provisions <u>SL 2017-202, Part VIII:</u> Authorized additional 3% tax; conformed use of funds to guidelines; modified composition of TDA to reflect representation by both the county and the City of Salisbury

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES	LEGISLATIVE HISTORY & NOTES
					Y N	
Rowland, Town of SL 1983-908, as amended by SL 1991-154	Robeson	3%	100% for "tourism related expenditures," defined to include sponsoring tourist-oriented events, encouraging tourism through advertising and promotion, establishing a visitors' center, and other expenditures that directly enhance tourism, and also includes: criminal justice system, fire protection, public facilities and utilities, health facilities, and solid waste and sewage treatment. These funds may not be used for services normally provided by the town on behalf of its citizens unless these services promote tourism and enlarge its economic benefits by enhancing the ability of the town to attract and provide for tourists.	City Council	NO	<u>SL 1991-154:</u> Amended SL 1983-908 to add Town and authorized 3% tax
Rutherford County SL 1991-577 , Sec. 5 SL 2007-527 , Sec. 21(gg) ⁱ SL 2011-115		6%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures	County TDA*	YES*	*Conforms, except that it authorizes the county to administer the proceeds, at the request of the TDA, for the same uses <u>SL 1991-577:</u>

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES		LEGISLATIVE HISTORY & NOTES
					Y	N	
							Authorized 6% tax <u>SL 2007-527, s. 21(gg):</u> <i>See Endnote i</i> <u>SL 2011-115:</u> Recodifies existing law to conform to uniform guidelines & provisions in § 153A-155; allows Rutherford Co, at the request of the TDA, to establish a separate fund and manage proceeds rather than the TDA.
St. Pauls, Town of SL 1998-112 SL 2006-34 SL 2011-137	Robeson	6%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	Town TDA	YES		<u>SL 1998-112:</u> Authorized 1% tax <u>SL 2006-34:</u> Authorized additional 2% tax <u>SL 2011-137:</u> Authorized additional 3% tax
Salisbury, City of SL 2009-428, Part II SL 2017-202, Part VIII (Repealed)							REPEALED
Saluda District D SL 2017-202	Polk Henderson	3%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures	District TDA	YES		<u>SL 2017-202:</u> Created district consisting of the Polk County side of Saluda and authorized 3% tax

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES		LEGISLATIVE HISTORY & NOTES
					Y	N	
Sampson County SL 2007-63 SL 2017-202, Part VI		6%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures	County TDA	YES		SL 2007-63: Authorized 3% tax SL 2017-202, Part VI: Authorized additional 3% tax
Sanford, City of SL 2017-202	Lee	3%	Exactly 2/3 to promote travel and tourism; 1/3 for operation/maintenance of Wicker Center. Any funds not used by end of fiscal year may be used by TDA for tourism promotion	City TDA	YES*		*Conforms generally, but it is nonconforming to the extent it specifically names Wicker Center as beneficiary of funds SL 2017-202: Authorized 3% tax
Scotland County SL 1997-410 SL 2007-203		6%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures	County TDA	YES		SL 1997-410: Authorized 3% tax SL 2007-203: Authorized additional 3% tax
Selma, Town of SL 2001-439, Part X SL 2006-120, Part V	Johnston	2%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures	County TDA	YES		SL 2001-439, Part X: Authorized 1% tax to expire 5 years after eff. date of its levy SL 2006-120, Part V: Authorized additional 1% tax and removed sunset

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES	LEGISLATIVE HISTORY & NOTES
					Y N	
Seven Devils, Town of SL 2001-439 , Part XVI. SL 2002-94	Avery Watauga	6%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures	Town TDA	YES	<u>SL 2001-439:</u> Authorized "cities in Avery County" to levy 3% tax <u>SL 2002-94:</u> Authorized "cities in Avery County" to levy an additional 3% tax
Shallotte, Town of SL 1997-364	Brunswick	3%	At least 1/2 to promote travel and tourism; remainder for tourism-related expenditures	Town TDA	NO	<u>SL 1997-364:</u> Authorized 3% tax
Shelby, City of SL 1997-361	Cleveland	3%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures	City Council	NO*	*No TDA <u>SL 1997-361:</u> Authorized 3% tax
Smithfield, Town of SL 2001-439 , Part XI. SL 2006-120 , Part VI	Johnston	2%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	County TDA	YES	<u>SL 2001-439, Part XI:</u> Authorized 1% tax to expire 5 years after eff. date of its levy <u>SL 2006-120, Part VI:</u> Authorized additional 1% tax and removed sunset
Southern Shores, Town of SL 2001-394	Dare		Receives a distribution from Dare County in proportion to the amount of ad valorem taxes levied by each town for the preceding fiscal year. The revenue distributed to the			<i>See also Dare County</i>

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES	LEGISLATIVE HISTORY & NOTES
					Y N	
			towns may only be used for capital expenditures.			
Southport, City of SL 1989-639 SL 2002-129 SL 2014-68	Brunswick	5%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures	City TDA	YES	<u>SL 1989-639:</u> Authorized 3% tax <u>SL 2002-129:</u> Authorized additional 2% tax; conformed act to uniform administrative provisions and the guidelines <u>SL 2014-68:</u> Required Board of Aldermen to use at least 2/3 of proceeds to promote travel and tourism and the remainder for tourism-related expenditures until levy of additional 2% tax, at which point funds would be remitted to TDA.
Stallings District S SL 2023-144 , Part III.	Union	5%*	At least 2/3 to promote tourism; remainder for tourism-related expenditures	District TDA	YES	*Levy of tax and rate must be approved in a referendum <u>SL 2023-144, Part III:</u> Created district consisting of the part of Stallings located in Union County and authorized up to 5% tax, if approved in a referendum

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES		LEGISLATIVE HISTORY & NOTES
					Y	N	
Stanly County SL 2001-434 , Part IV		6%	<u>Albemarle Proceeds:</u> 5/6 (83%) of the proceeds from accommodations in Albemarle are remitted to the City of Albemarle to be used as follows: • 40% to the Stanly County TDA to promote travel and tourism • 60% retained by City for tourism-related expenditures. <u>Proceeds from Other Municipalities:</u> Proceeds derived from accommodations in each of the other cities shall be remitted to those cities • The municipalities shall annually remit to the TDA the greater of one dollar (\$1.00) per capita of the municipality's population or 1/2 of the amount remitted to the municipality • The municipalities shall retain the remainder and use only for tourism-related expenditures in the county.	County TDA, County & City officials		NO	<u>SL 2001-434, Part IV:</u> Authorized 6% tax

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES		LEGISLATIVE HISTORY & NOTES
					Y	N	
			<u>Remainder:</u> The county shall annually remit to the TDA the greater of \$25,000 or 1/2 of the remaining net proceeds of the occupancy tax. The county must use the proceeds it retains only for tourism-related expenditures; the TDA must use the proceeds it receives to promote travel and tourism				
Statesville, City of SL 1985-570 , Part V SL 1985-930 SL 1998-112 , Sec. 3	Iredell	5%	<u>First 3%:</u> Allocated to a special fund to be used only for construction, operation, and maintenance of a civic center, for payment of interest or retiring principal on debt related to a civic center, or for promotion of travel & tourism. <u>Additional 2%:</u> 50% to the Statesville TDA to be used to promote travel and tourism 50% retained by city for operation & maintenance of civic center & for	City Council & City TDA	NO		<u>SL 1985-570, Part V:</u> Authorizes 3% tax to be placed in a special fund and used only for operation and maintenance of a civic center <u>SL 1985-930:</u> Requires city to adopt a resolution indicating intent to pursue civic center <u>SL 1998-112, Sec 3:</u> Authorizes additional 2% and provides for the establishment of a Civic Center Authority, subject to Iredell Co. abolishing the Iredell Civic Center Authority

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES	LEGISLATIVE HISTORY & NOTES
					Y N	
			payment of interest or retiring principal on debt related to a civic center.			
St. James, Town of SL 2023-144 , Part XIV.	Brunswick	5%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	Town TDA	YES	<u>SL 2023-144, Part XIV:</u> Authorized 5% tax
Stokes County SL 2023-144 , Part VIII.		6%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	County TDA	YES	<u>SL 2023-144, Part VIII:</u> Authorized 5% tax
Sugar Mountain, Village SL 2001-439 , Part XVI. SL 2002-94	Avery	6%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	Village TDA	YES	<u>SL 2001-439, Part XVI:</u> Authorized 3% tax <u>SL 2002-94:</u> Authorized additional 3% tax
Sunset Beach, Town of SL 1987-956 SL 1997-364 , Sec. 12	Brunswick	5%	<u>First 3%:</u> To be used by town for term tourism-related expenditures, defined to include: criminal justice system, fire protection, public facilities and utilities, health facilities, solid waste and sewage treatment, and the control and repair of water front erosion. These funds may not be used for services normally provided	Town Council	NO	<u>SL 1987-956:</u> Authorized 3% tax <u>SL 1997-364, Sec. 12:</u> Authorized additional 2% tax

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES		LEGISLATIVE HISTORY & NOTES
					Y	N	
			by the town on behalf of its citizens unless these services promote tourism and enlarge its economic benefits by enhancing the ability of the town to attract and provide for tourists. <u>Additional 2%:</u> The town may use the proceeds of the tax only for beach nourishment and protection.				
Surf City, Town of SL 1983-908, Part IX SL 2007-527, Sec. 21ⁱ	Onslow Pender	3%	100% for tourism-related expenditures, defined to include criminal justice system, fire protection, public facilities and utilities, health facilities, solid waste and sewage treatment, and the control and repair of waterfront erosion. These funds may not be used for services normally provided by the city on behalf of its citizens unless these services promote tourism and enlarge its economic benefits by enhancing the ability of the city to attract and provide for tourists. Also receives proceeds of Pender County tax levied on accommodations in Surf City, which must be used for beach nourishment	Town Council	NO		<u>SL 1983-908, Part IX:</u> Authorized 3% tax <u>SL 2007-527, Sec. 21:</u> <i>See Endnote i</i> <i>(See SL 2001-439, Part VI, for distribution from Pender County)</i>

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES	LEGISLATIVE HISTORY & NOTES
					Y N	
Surry County District S SL 2009-112		6%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures	District TDA	YES	<u>SL 2009-112:</u> Created district consisting of all unincorporated areas of the county and authorized 6% tax
Swain County SL 1985-923 SL 2007-23 SL 2023-144 , Part XVIII.		6%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures	County TDA	YES	<u>SL 1985-923:</u> Authorized 3% tax <u>SL 2007-23:</u> Authorized additional 1% tax and conformed act to uniform administrative provisions and guidelines <u>SL 2023-144, Part XVIII:</u> Authorized additional 2% and made technical changes
Swansboro, Town of SL 2011-170 , Part IV	Onslow	3%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures	Town TDA	YES	<u>SL 2011-170, Part IV:</u> Authorized 3% tax
Thomasville, City of SL 1993-453 SL 2007-527 , Sec. 21(ii) ⁱ	Davidson	6%	<u>First 3%:</u> At least 2/3 promote travel and tourism; remainder for tourism-related expenditures (defined to exclude capital expenditures other than expenditures for the construction or maintenance of a visitors' center)	Thomasville Tourism Commission (not a TDA)	NO	<u>SL 1993-453:</u> Authorized 6% tax <u>SL 2007-527, s. 21(ii):</u> <i>See Endnote i</i>

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES		LEGISLATIVE HISTORY & NOTES
					Y	N	
			<u>Second 3%:</u> 100% used to construct or maintain a visitors' center.				
Topsail Beach, Town of SL 1983-908 , Part IX SL 2007-527 , Sec. 21 ⁱ	Pender	3%	Allocated to a special fund to be used only for tourism- related expenditures, defined as criminal justice system, fire protection, public facilities and utilities, health facilities, solid waste and sewage treatment, and the control and repair of waterfront erosion. These funds may not be used for services normally provided by the city on behalf of its citizens unless these services promote tourism and enlarge its economic benefits by enhancing the ability of the city to attract and provide for tourists. Also receives proceeds from county tax levied on accommodations in Topsail Beach to be used for beach nourishment	Town Council	NO		<u>SL 1998-908, Part IX:</u> Authorized 3% tax <u>SL 2007-527, Sec. 21:</u> <i>See Endnote i</i> <i>(See also SL 2001-439, Part VI, for distribution from Pender County to be used for beach nourishment)</i>
Transylvania County SL 1985-969 SL 1999-205		6%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	County TDA	YES		<u>SL 1985-969:</u> Authorized 3% tax <u>SL 1999-205:</u>

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES		LEGISLATIVE HISTORY & NOTES
					Y	N	
SL 2005-88							Modified OT penalties <u>SL 2005-88:</u> Authorized additional 3% tax and required proceeds to be remitted to a TDA
Troutman, Town of SL 2005-220	Iredell	3%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	Town TDA	YES		<u>SL 2005-220:</u> Authorized 3% tax
Tryon, Town of SL 2006-148	Polk	3%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	Town TDA	YES		<u>SL 2006-148:</u> Authorized 3% tax
Tyrrell County SL 2001-468		6%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures	County TDA	YES		<u>SL 2001-468:</u> Authorized 6% tax
Union County SL 2023-144 , Part IV		1%*	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures	County TDA	YES		*Levy must be approved in a referendum <u>SL 2023-144, Part IV:</u> Authorized 1% tax that may only be levied if approved in a referendum
Vance County SL 1987-1067 SL 2001-321		6%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures	County TDA	YES		<u>SL 1987-1067:</u> Authorized 3% tax <u>SL 2001-321:</u> Authorized additional 3% and conformed act to uniform administrative provisions and

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES		LEGISLATIVE HISTORY & NOTES
					Y	N	
							guidelines
Wake County SL 1985-850 SL 1991-594 SL 1995-458 SL 1997-68 SL 2001-347 , Sec. 2.22 SL 2005-276 , Sec. 33.30 SL 2007-527 , Sec. 21(hh) ⁱ		6%	<u>\$100,000 to Wake Tech:</u> The Board of Commissioners may, in its discretion, remit \$100K to Wake Technical Community College to support its ongoing program of training individuals in hotel and motel management and in food service <u>Monthly Distribution of the first \$3.815M in proceeds:</u> 45.25% to Raleigh 5% to Cary 34.75% to Wake County 15% to Greater Raleigh Convention and Visitor Bureau [See local act for uses of funds] <u>Distribution of OT proceeds in excess of \$3.815M:</u> <u>Proceeds >\$3.815M but <\$4M+1:</u> 95% to the City of Raleigh 5% to the Town of Cary <u>Proceeds >\$4M+1 but <\$4.5M:</u> 25% to the Raleigh Regional Convention and Visitor Bureau. 5% to the Town of Cary 47.5% to the City of Raleigh	Raleigh Convention and Visitor Bureau	NO	<u>SL 1985-850:</u> Authorized 3% tax and 1% merchant discount <u>SL 1991-594:</u> Authorized additional 3% tax and 1% prepared food and beverage tax; Sec. 18 repealed the authority of the county or a unit of local govn. in Wake County to enact an OT under any other local act <u>SL 1995-458:</u> Provided for the creation of Facility Authorities and establishes The Centennial Authority. <u>SL 1997-68:</u> Modified membership of the Facility Authorities and provided distribution of proceeds for Room OT allocations for capital improvements <u>SL 2001-347, Sec. 2.22:</u> Aligned the definition of prepared food with definition in sales tax statutes <u>SL 2005-276, Sec. 33.30:</u>	

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES		LEGISLATIVE HISTORY & NOTES
					Y	N	
			22.5% to Wake County • <u>Proceeds >\$4.5M:</u> 25% to the Raleigh Regional Convention and Visitor Bureau. 5% to the Town of Cary 35% to the City of Raleigh 35% to Wake County [See local act for uses of funds]				Added a definition for alcoholic beverage for purposes of the prepared food and beverage tax <u>SL 2007-527, s. 21 (hh):</u> <i>See Endnote i</i>
Wake Forest, Town of SL 1989-604 SL 1991-594 , <i>Repealed</i>							<i>REPEALED</i> Authority repealed by SL 1991-594 .
Warren County SL 2023-144 , Part XIII		5%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures	County TDA	YES		<u>SL 2023-144, Part XIII:</u> Authorized 5% tax
Washington, City of SL 1991-158 SL 1995-736 , Article XII SL 2001-365 SL 2013-414 , Sec. 60(k) ⁱⁱ	Beaufort	6%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures	City TDA	YES*		<u>SL 1991-158:</u> Authorized 3% tax <u>SL 1995-736, Art. XII:</u> Repealed s. 2(a) and 2(b) of SL 1991-158, which established the TDA and its membership and replaced authority as set out in s. 12.2 & 12.3 of the Charter <u>SL 2001-365:</u> Authorized additional 3% tax and conformed act to uniform administrative

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES		LEGISLATIVE HISTORY & NOTES
					Y	N	
							provisions and guidelines, except for membership of TDA, which does not conform because it does not require that at least 1/3 of the members be collectors of the tax* <u>SL 2013-414, Sec. 60(k):</u> <i>See Endnote ii</i>
Washington County SL 1991-821 SL 2001-305 SL 2013-414 , Sec. 60(i) ⁱⁱ		6%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures	County TDA	YES		<u>SL 1991-821:</u> Authorized 3% tax <u>SL 2001-305:</u> Authorized additional 3% tax <u>SL 2013-414, Sec. 60(i):</u> <i>See Endnote ii</i>
Watauga Co District U SL 2005-197		6%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures	District TDA	YES		<u>SL 2005-197:</u> Created district comprised of the unincorporated areas of Watauga Co. and authorized district to levy 6% tax <i>(See also Beech Mtn Dist W)</i>
Wayne County SL 2015-255		1%	100% of the funds to promote travel and tourism	County TDA	YES		<u>SL 2015-255:</u> Authorized 1% tax

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES	LEGISLATIVE HISTORY & NOTES
					Y N	
West Jefferson, Town of SL 2005-49	Ashe	3%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures	Town TDA	YES	<u>SL 2005-49:</u> Authorized 3% tax
Wilkes County District K SL 2010-78 , Sec. 8; <i>Repealed</i> by: SL 2023-144 , Part IX.						<i>REPEALED</i> Replaced by Wilkes County District W
Wilkes County District W SL 2023-144 , Part IX.		6%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures	District TDA	YES	<u>SL 2023-144, Part IX:</u> Created district consisting of the part of Wilkes County outside the incorporated area of Elkin and authorized district to levy 6% tax
Wilkesboro, Town of SL 2001-439 , Part IX.; <i>Repealed</i> by: SL 2023-144 , Part IX.						<i>REPEALED</i> Town is subject to Wilkes County District W tax
Wilmington, City of SL 2002-139 SL 2006-167 , Sec. 8	New Hanover	3%	100% is used for construction, financing, operation, promotion, and maintenance of the convention center.	County TDA	NO	<u>SL 2002-139:</u> Authorized 3% tax, if New Hanover creates a TDA <u>SL 2006-167, Sec. 8:</u> Modified distribution of tax; city tax is collected by county TDA and deposited into a

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES	LEGISLATIVE HISTORY & NOTES
					Y N	
						convention center account that is remitted quarterly to City of Wilmington
Wilson County SL 1987-484 SL 1987-901 SL 1987-912 SL 2007-527 , Sec. 21(t) ⁱ SL 2009-297 SL 2016-65		6%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures that are mutually agreed upon by the Wilson County TDA and the Wilson City Council.	County TDA	YES*	<u>SL 1987-484:</u> Authorized 3% tax <u>SL 1987-901 and 912:</u> Made technical changes to SL 1987-484 <u>SL 2007-527, Sec. 21(t):</u> <i>See Endnote i</i> <u>SL 2009-297:</u> Modified composition of TDA and conformed act to uniform administrative provisions and guidelines, except that expenditures of TDA require agreement by City Council* <u>SL 2016-65:</u> Authorized additional 3% tax
Wrightsville Beach, Town SL 2002-138	New Hanover	3%	50% to promote travel and tourism; 50% for tourism-related expenditures	County TDA	NO	<u>SL 2002-138:</u> Authorized 3% tax; TDA must consult with town before making expenditures from beach town account
Yadkin County District Y SL 2007-340 , Sec. 2 SL 2017-202, Part VII		6%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	District TDA	YES	<u>SL 2007-340, Sec. 2:</u> Created district consisting of all unincorporated areas and

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES		LEGISLATIVE HISTORY & NOTES
					Y	N	
							authorized district to levy 6% tax <u>SL 2017-202, Part VII:</u> Modified territorial boundaries of district to be that part of Yadkin County located outside the towns of Jonesville and Yadkinville.
Yadkinville, Town of SL 2007-340 , Sec. 7	Yadkin	6%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	Town TDA	YES		<u>SL 2007-340, Sec. 7:</u> Authorized 6% tax
Yancey County SL 1987-140 SL 2007-527 , Sec. 21(<i>I</i>) ⁱ SL 2023-144 , Part X.		6%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	County TDA	YES		<u>SL 1987-140:</u> Authorized 3% tax <u>SL 2007-527, Sec. 21(<i>I</i>):</u> <i>See Endnote i</i> <u>SL 2023-144:</u> Authorized additional 3% tax and conformed act to uniform administrative provisions and guidelines
Yanceyville, Town of SL 2007-224 , Sec. 3	Caswell	3%	At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	Town TDA	YES		<u>SL 2007-224, Sec. 3:</u> Authorized 3% tax

JURISDICTION & SESSION LAWS	COUNTY	MAX. TAX RATE	HOW ALLOCATED	GOVERNING BODY	CONFORMITY TO GUIDELINES	LEGISLATIVE HISTORY & NOTES
					Y N	
Yaupon Beach, Town of (See: <i>Oak Island</i>) SL 1991-820 SL 1997-364 , Sec. 13 SL 1999-66						The charters of the towns of Yaupon Beach and Long Beach were consolidated to create Town of Oak Island, effective 07-01-1999

BACKGROUND:

House Finance Occupancy Tax Guidelines

In 1993, the House Finance Committee appointed a subcommittee on occupancy taxes and adopted a set of guidelines consistent with the North Carolina Travel and Tourism Coalition's policy statement for legislation authorizing local occupancy taxes. Since that time, the House Finance Committee has regularly appointed an occupancy tax subcommittee each biennium to review occupancy tax legislation for the inclusion of the following provisions in the occupancy tax bills it considers:

- **Rate** - The county tax rate cannot exceed 6% and the city tax rate, when combined with the county rate, cannot exceed 6%.
- **Use** - At least two-thirds of the proceeds must be used to promote travel and tourism and the remainder must be used for tourism-related expenditures. In the 2001 Regular session, the term "tourism-related expenditures" was expanded to include beach nourishment. In 2004, the statutory administrative provisions were amended to prohibit the proceeds of a room occupancy tax from being used directly or indirectly for the development or construction of a hotel or another transient lodging facility. In 2013, the guidelines were modified to allow local governments in coastal counties to allocate up to 50% of occupancy tax proceeds for beach nourishment, so long as all remaining proceeds are used for tourism promotion and provided that the use of occupancy tax proceeds for beach nourishment is limited by either a statutory cap or sunset provision.
- **Definitions** -
 - *Net proceeds* - Gross proceeds less the costs to the city/county of administering and collecting the tax, as determined by the finance officer, not to exceed 3% of the first \$500,000 of gross proceeds collected each year and 1% of the remaining gross receipts collected each year.
 - *Promote travel and tourism* – To advertise or market an area or activity, publish and distribute pamphlets and other materials, conduct market research, or engage in similar promotional activities that attract tourists or business travelers to the area; the term includes administrative expenses incurred in engaging in these activities.
 - *Tourism-related expenditures* – Expenditures that, in the judgment of the Tourism Development Authority, are designed to increase the use of lodging facilities, meeting facilities, and convention facilities in a county by attracting tourists or business travelers to the city/county. The

term includes tourism-related capital expenditures.

- *Beach nourishment* – The placement of sand, from other sand sources, on a beach or dune by mechanical means and other associated activities that are in conformity with the North Carolina Coastal Management Program along the North Carolina shorelines and connecting inlets for the purpose of widening the beach to benefit public recreational use and mitigating damage and erosion from storms to inland property. The term includes expenditures for the following:
 - a. Costs directly associated with qualifying for projects either contracted through the U.S. Army Corps of Engineers or otherwise permitted by all appropriate federal and State agencies;
 - b. The nonfederal share of the cost required to construct these projects;
 - c. The costs associated with providing enhanced public beach access; and
 - d. The costs of associated non-hardening activities such as the planting of vegetation, the building of dunes, and the placement of sand fences.

Administration - The net revenues must be administered by a local tourism promotion agency, typically referred to as a “Tourism Development Authority,” that has the authority to determine how the tax proceeds will be used, is created by a local ordinance, and at least ½ of the members must be currently active in the promotion of travel and tourism in the taxing district and 1/3 of the members must be affiliated with organizations that collect the tax.

Cost of Collecting - A county or city may retain from the proceeds its actual costs of collecting the tax, not to exceed 3% of the first \$500,000 collected each year plus 1% of the remainder collected each year.

Uniform Administrative Provisions

In 1997, the General Assembly enacted uniform municipal and county administrative provisions for occupancy tax legislation – G.S. 153A-155 and G.S. 160A-215. These provisions provide uniformity in the areas of levy, administration, collection, repeal, and penalties.

ⁱ S.L. 2007-527, Section 21 modified approximately 40 local occupancy tax acts to conform the due date for payment and filing of returns to the due date for sales and use tax.

ⁱⁱ S.L. 2010-31, Sec. 31.6 amended G.S. 153A-155 and G.S. 160A-215 to require the occupancy tax base to be the same as the sales tax base. Therefore, a local occupancy tax act may not exempt an accommodation that is taxable under G.S. 105-164.4(a)(3) nor may it tax an accommodation that is not taxable under G.S. 105-164.4(a)(3). Several local acts had provisions that conflicted with the 2010 general law change, but they were not changed at that time. Section 60 of S.L. 2013-414 made technical changes to those conflicting provisions in order to bring those local acts into conformity with the general law. The conflicting provisions typically involved exemptions for the entities listed below. For a more detailed explanation of how each of these entities is treated under the general law, see document entitled *Local Occupancy Tax Base Technical Change* available from the NCGA Research Division.

- A business that offers to rent fewer than five units
- Summer camps
- Religious organizations
- Educational organizations
- Charitable, benevolent, and other nonprofit organizations
- Campgrounds/camp sites