

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H

1

HOUSE BILL 1599

Short Title: Mitchell River-Rafting User Fee.

(Local)

Sponsors: Representatives Thompson (By Request); and Buchanan.

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

May 18, 2000

A BILL TO BE ENTITLED

**AN ACT TO AUTHORIZE MITCHELL COUNTY TO IMPOSE A USER FEE ON
THE BUSINESS OF PROVIDING RIVER RAFTING IN MITCHELL COUNTY.**

Whereas, a number of businesses operate in both Mitchell County and Tennessee providing river-rafting services; and

Whereas, the State of Tennessee imposes a tax of \$2.00 per person on these businesses conducted in Mitchell County as well as in Tennessee; and

Whereas, the operation of river-rafting businesses in Mitchell County requires the county to provide emergency medical and rescue services and fire and police protection to customers of the businesses; and

Whereas, as a result of the influx of river rafters in Mitchell County, the county must provide services and facilities that create a financial burden to the county; Now, therefore,

The General Assembly of North Carolina enacts:

Section 1. This act applies only to Mitchell County.

Section 2. Definitions. – The following definitions apply in this act:

(1) Net proceeds. – Gross proceeds less the cost to the county of administering and collecting the user fee, as determined by the finance officer, not to exceed seven percent (7%) of the gross proceeds.

1 (2) Providing river rafting. – Renting vessels or personal flotation devices
2 for use on a river or providing river tours.

3 (3) Vessel. – Defined in G.S. 75A-2.

4 Section 3. County river-rafting user fee. (a) Levy. – The board of commissioners of a
5 county may, by resolution, levy a river-rafting user fee on the business of providing river
6 rafting in the county. The user fee shall be at the rate of one dollar (\$1.00) per day for
7 each individual to whom the business provides river rafting in the county. River rafting
8 is provided in a county if the customer enters the river in that county. This river-rafting
9 user fee is in addition to any State or local sales tax.

10 Section 3.(b) Effective Date of Levy. – Collection of the user fee, and liability
11 therefor, shall begin and continue only on and after the first day of a calendar month set
12 by the board of commissioners in the resolution levying the user fee. The effective date
13 of a user fee levied under this act may not be earlier than the first day of the second
14 succeeding calendar month after the date the resolution is adopted.

15 Section 3.(c) Use of User Fee Proceeds. – A county shall use at least fifty
16 percent (50%) of the net proceeds of a user fee levied under this act only for economic
17 development, promotion of travel and tourism, or tourism-related expenditures.

18 Section 3.(d) Repeal. – A user fee levied under this act may be repealed by a
19 resolution adopted by the board of commissioners of the county. Repeal of a user fee
20 levied under this act shall become effective on the first day of a month and may not
21 become effective until the end of the fiscal year in which the repeal resolution was
22 adopted. Repeal of a user fee levied under this act does not affect a liability for a user fee
23 that was attached before the effective date of the repeal, nor does it affect a right to a
24 refund of a user fee that accrued before the effective date of the repeal.

25 Section 4. Collection and administration of the user fee. (a) Collection. –
26 Every operator of a business subject to the user fee levied under this act shall, on and
27 after the effective date of the levy of the user fee, collect the user fee. This user fee shall
28 be collected as part of the price charged for providing river rafting subject to the user fee.
29 The user fee shall be stated and charged separately from the sales records and shall be
30 paid by the customer to the operator of the business as trustee for and on account of the
31 county. The user fee shall be added to the price of the river rafting and shall be passed on
32 to the customer instead of being borne by the operator of the business. The county shall
33 design, print, and furnish to all appropriate businesses and persons in the county the
34 necessary forms for filing returns and instructions to ensure the full collection of the user
35 fee. An operator of a business who collects the river-rafting user fee levied under this act
36 may deduct from the amount remitted to the county a discount equal to the discount the
37 State allows the operator for State sales and use tax.

38 Section 4.(b) Administration. – The county shall administer a user fee levied
39 under this act. A user fee levied under this act is due and payable to the county finance
40 officer in monthly installments on or before the 15th day of the month following the
41 month in which the user fee accrues. Every person, firm, corporation, or association
42 liable for the user fee shall, on or before the 15th day of each month, prepare and render a

1 return on a form prescribed by the county. The return shall state the total gross receipts
2 derived in the preceding month from providing river rafting.

3 A return filed with the county finance officer under this act is not a public
4 record and may not be disclosed except in accordance with G.S. 153A-148.1.

5 Section 5. Penalties. – A person, firm, corporation, or association who fails or
6 refuses to file the return or pay the user fee required by this act is subject to the civil and
7 criminal penalties set by G.S. 105-236 for failure to pay or file a return for State sales and
8 use taxes. The board of commissioners of the levying county has the same authority to
9 waive the penalties for the river-rafting user fee that the Secretary of Revenue has to
10 waive the penalties for State sales and use taxes.

11 Section 6. This act is effective when it becomes law.