

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005**

**SESSION LAW 2005-68  
SENATE BILL 525**

AN ACT RELATING TO NASCAR HALL OF FAME FINANCING.

Whereas, the General Assembly has, pursuant to Section 6(a) of Chapter 908 of the 1983 Session Laws, as amended by Chapters 821 and 922 of the 1989 Session Laws and S.L. 2001-402, previously authorized Mecklenburg County to levy an occupancy tax at a rate not to exceed 6%; and

Whereas, the General Assembly has not previously authorized any local government to levy an occupancy tax in excess of 6%; and

Whereas, the State of North Carolina and the City of Charlotte now have a "once-in-a-lifetime" opportunity to potentially locate a unique national tourism facility (i.e., the NASCAR Hall of Fame Museum) in Charlotte, North Carolina – a facility that will have a significant positive impact on the economy of the Charlotte region and the State of North Carolina; and

Whereas, in order to facilitate the financing of the capital costs of the NASCAR Hall of Fame Museum, the General Assembly is, for this unique situation and opportunity, willing to authorize a 2% occupancy tax that is in addition to the previously authorized 6% occupancy tax; Now, therefore,

The General Assembly of North Carolina enacts:

**SECTION 1.** Occupancy tax. (a) Authorization and Scope. – Upon receiving written confirmation from the National Association of Stock Car Auto Racing, Inc., (NASCAR) that it will license or otherwise legally authorize the location of the NASCAR Hall of Fame Museum facility in Charlotte, North Carolina, the Mecklenburg County Board of Commissioners may levy a room occupancy tax of up to two percent (2%) of the gross receipts derived from the rental of any accommodation subject to the tax under Section 6 of Chapter 908 of the 1983 Session Laws, as amended by Chapter 821 of the 1989 Session Laws. The tax authorized by this section is in addition to any other State or local sales and use tax and any other State or local occupancy tax authorized by law.

**SECTION 1.(b)** Administration. – Except as otherwise provided in this act, a tax levied under this section shall be levied, administered, and collected as provided in Part IV of Chapter 908 of the 1983 Session Laws, as amended by Chapters 821 and 922 of the 1989 Session Laws and S.L. 2001-402. The penalties provided in Part IV of Chapter 908 of the 1983 Session Laws, as amended by Chapters 821 and 922 of the 1989 Session Laws and S.L. 2001-402, apply to a tax levied under this section.

**SECTION 1.(c)** Definitions. – The definitions in G.S. 105-164.3 and in Part IV of Chapter 908 of the 1983 Session Laws, as amended by Chapters 821 and 922 of the 1989 Session Laws and S.L. 2001-402, apply to this act insofar as they are not inconsistent with this act.

**SECTION 1.(d)** Relationship to the Sales and Use Tax Statutes. – The definitions in G.S. 105-164.3 shall apply to this act insofar as they are not inconsistent with the provisions of this act. All other provisions of Article 5 and Article 9 of Subchapter I, Chapter 105 of the General Statutes, as the same relate to the North Carolina Sales and Use Tax Act, shall be applicable to this act and administered by the local administrative authority unless the provisions are inconsistent with the provisions

of this act. It is the intention of this act that the provisions of this act and the provisions of the North Carolina Sales and Use Tax Act, insofar as practicable, shall be harmonized. The provisions with respect to remedies and penalties applicable to the North Carolina Sales and Use Tax Act, as contained in Article 5 and Article 9, Subchapter I, Chapter 105 of the General Statutes, shall be applicable in like manner to the taxes authorized to be levied and collected under this act, to the extent that the same are not inconsistent with any provision of this act.

**SECTION 1.(e)** Repeal. – A tax levied under this act shall only be repealed in accordance with this subsection. The Mecklenburg County Board of Commissioners shall repeal the tax effective the earlier of July 1, 2038, or July 1 after the date of final satisfaction, by payment or other irrevocable defeasance, of any debt instruments or obligations that were issued by the City of Charlotte or a related special purpose entity in connection with the financing or refinancing of the NASCAR Hall of Fame Museum facility. Effective upon the repeal of the tax in accordance with this subsection, subsection (a) of this section is repealed, and any tax levied under that subsection shall be rescinded. Repeal of a tax levied under this act does not affect a liability for a tax that has attached before the effective date of the repeal, nor does it affect a right to a refund of a tax that accrued before the effective date of the repeal.

**SECTION 1.(f)** Distribution and Use of Proceeds. – The local administrative authority, acting on its own behalf or as agent for each taxing entity shall distribute the proceeds of the tax levied pursuant to this act to the City of Charlotte. The City of Charlotte shall use the proceeds only for the acquisition, construction, repair, maintenance, and financing of a NASCAR Hall of Fame Museum facility and an ancillary and adjacent NASCAR/convention center ballroom facility. The Charlotte Regional Visitors Authority shall have all the powers and duties enumerated in Section 5.23 of the Charter of the City of Charlotte (S.L. 2000-26 as amended by S.L. 2001-402 and S.L. 2004-14) with respect to facilities constructed pursuant to this act.

**SECTION 2.** This act is effective when it becomes law.

In the General Assembly read three times and ratified this the 26<sup>th</sup> day of May, 2005.

s/ Charlie S. Dannelly  
Deputy President Pro Tempore of the Senate

s/ James B. Black  
Speaker of the House of Representatives