GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2007

H HOUSE DRH70024-LYz-20 (1/4)

Short Title:	Extend Local Sales Tax Earmarking for Schools. (Public)
Sponsors:	Representatives Yongue, Johnson, Jones, Lucas (Primary Sponsors); Alexander, Barnhart, Bell, Carney, Coleman, England, Folwell, Goforth, Hall, Howard, Pierce, Wainwright, West, Wilkins, Williams, and Wray.
Referred to:	

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A BILL TO BE ENTITLED

AN ACT TO EXTEND THE EARMARKING OF A PORTION OF THE PROCEEDS OF THE FIRST AND SECOND ONE-HALF CENT LOCAL SALES AND USE TAXES FOR AN ADDITIONAL TEN YEARS.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 105-487(a) reads as rewritten:

"(a) Except as provided in subsection (c), forty percent (40%) of the revenue received by a county from additional one-half percent (1/2%) sales and use taxes levied under this Article during the first five fiscal years in which the additional taxes are in effect in the county and thirty percent (30%) of the revenue received by a county from these taxes in the next 23–33 fiscal years in which the taxes are in effect in the county may be used by the county only for public school capital outlay purposes as defined in G.S. 115C-426(f) or to retire any indebtedness incurred by the county for these purposes."

SECTION 2. G.S. 105-502(a) reads as rewritten:

- "(a) Sixty percent (60%) of the revenue received by a county under this Article during the first 25-35 fiscal years in which the tax is in effect may be used by the county only for public school capital outlay purposes as defined in G.S. 115C-426(f) or to retire any indebtedness incurred by the county for these purposes during the period beginning five years prior to the date the taxes took effect."
 - **SECTION 3.** This act is effective when it becomes law.