

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

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HOUSE BILL 394*

Short Title: Increase Options for Local Option Sales Tax. (Local)

Sponsors: Representatives Goodman, Waddell, Pierce, and C. Graham (Primary Sponsors).
For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.

Referred to: Finance.

March 31, 2015

1 A BILL TO BE ENTITLED
2 AN ACT TO AUTHORIZE ROBESON COUNTY TO USE THE PROCEEDS OF THE
3 LOCAL GOVERNMENT SALES AND USE TAX FOR PUBLIC TRANSPORTATION
4 FOR SCHOOL CONSTRUCTION IN LIEU OF PUBLIC TRANSPORTATION.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** Subchapter VIII of Chapter 105 of the General Statutes is amended
7 by adding a new Article to read:

8 "Article 43A.

9 "Local Government Sales and Use Tax for School Construction in Lieu of Public
10 Transportation.

11 **"§ 105-512.1. Short title; purpose.**

12 This Article is the Local Government Sales and Use Tax for School Construction in Lieu of
13 Public Transportation Act. Article 43 of this Chapter and this Article give counties of this State
14 an opportunity to obtain an additional source of revenue with which to meet their needs. A
15 county may choose to use this source of revenue to finance local public transportation systems,
16 as provided in Article 43 of this Chapter, or for financing school construction, as provided in
17 this Article.

18 **"§ 105-512.2. Applicability; limitation.**

19 (a) Applicability. – This Article applies only to a county that levies the first one-cent
20 (1¢) local sales and use tax under Article 39 of this Chapter or under Chapter 1096 of the 1967
21 Session Laws, the first one-half cent (1/2¢) local sales and use tax under Article 40 of this
22 Chapter, and the second one-half cent (1/2¢) local sales and use tax under Article 42 of this
23 Chapter.

24 (b) Limitation. – A tax levied under this Article may not be in effect in a county at the
25 same time as a tax levied under Article 43 of this Chapter.

26 **"§ 105-512.3. Levy.**

27 (a) Referendum. – The board of commissioners of a county may direct the county board
28 of elections to conduct an advisory referendum on the question of whether to levy a local sales
29 and use tax in the county as provided in this Article. The election shall be held in accordance
30 with the procedures of G.S. 163-287.

31 (b) Authority. – If the majority of those voting in a referendum held pursuant to this
32 Article vote for the levy of the tax, the board of commissioners of the county may, by
33 resolution and after 10 days' public notice, levy a local sales and use tax at a rate of one-quarter
34 percent (1/4%).



1 (c) Ballot Question. – The form of the question to be presented on a ballot for a special
2 election concerning the levy of the tax authorized by this Article shall be:

3 "[] FOR [] AGAINST

4 Local sales and use tax at the rate of one-quarter percent (1/4%) in addition to the
5 current local sales and use taxes, to be used only for school construction or renovation, for the
6 purchase of land or facilities for schools, and to pay indebtedness incurred by the county for
7 these purposes."

8 **"§ 105-512.4. Administration.**

9 Except as provided in this Article, the adoption, levy, collection, administration, and repeal
10 of these additional taxes must be in accordance with Article 39 of this Chapter. G.S. 105-468.1
11 is an administrative provision that applies to this Article. A tax levied under this Article does
12 not apply to the sales price of food that is exempt from tax pursuant to G.S. 105-164.13B or to
13 the sales price of a bundled transaction taxable pursuant to G.S. 105-467(a)(5a). The Secretary
14 shall not divide the amount allocated to a county between the county and the municipalities
15 within the county.

16 **"§ 105-512.5. Use.**

17 Counties may use the proceeds of a tax levied under this Article only for the purposes listed
18 in the ballot question used in the referendum pursuant to G.S. 105-512.3(c)."

19 **SECTION 2.** This act applies to Robeson County only.

20 **SECTION 3.** This act is effective when it becomes law.