

AN ORDINANCE TO ESTABLISH AN OCCUPANCY TAX WITHIN ALLEGHANY COUNTY

BE IT ORDAINED that effective November 1, 2004, this ordinance supersedes the ordinance entitled AN ORDINANCE TO ESTABLISH AN OCCUPANCY TAX WITHIN ALLEGHANY COUNTY dated August 5, 1991, with an effective date of October 1, 1991; thereby rendering that ordinance of no further force and effect.

BE IT FURTHER ORDINATED by the Board of County Commissioners of Alleghany County, North Carolina, that on the effective date a countywide occupancy tax be established pursuant to the authority granted by the North Carolina General Assembly under SB1181 and by the enactment of the following ordinance:

Section 1 – Occupancy

The Alleghany County Board of Commissioners may levy a room occupancy tax of three percent (3%) of the gross receipts derived from the rental of any room, lodging, or accommodation furnished by a hotel, motel, inn, tourist camp, or similar place within the county that is subject to sales tax imposed by the State under G.S. 105-164.4(a)(3). This tax is in addition to any State or local sales tax. This tax does not apply to accommodations furnished by a summer camp for minors, or by a nonprofit charitable, educational, or religious organization.

Section 2 – Administration

A tax levied under this section shall be levied, administered, collected, and repealed as provided in G.S. 153A-155. The penalties provided in G.S. 153A-155 apply to a tax levied under this section.

Section 3 – Distribution and Use of Tax Revenue

Except as otherwise provided in this act, Alleghany County shall, on a quarterly basis, remit one hundred percent (100%) of the net proceeds of the occupancy tax to the Alleghany County Chamber of Commerce. The chamber of commerce shall use at least two-thirds of the funds remitted to it under this subsection to promote travel and tourism in Alleghany County and shall use the remainder for tourism-related expenditures. The chamber of commerce shall report quarterly and at the close of the fiscal year to the Alleghany County Board of Commissioners on its receipts and expenditures for the preceding quarter and for the year in such detail as the board may require.

The following definitions apply in this subsection:

- (1) Net proceeds. – Gross proceeds less the cost to the county of administering and collecting the tax, as determined by the finance officer, not to exceed three percent (3%) of the first five hundred thousand dollars (\$500,000) of gross proceeds collected each year and one percent (1%) of the remaining gross receipts collected each year.
- (2) 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 the listed activities.
- (3) Tourism-related expenditures. – Expenditures that, in the judgment of the entity responsible for expending the net proceeds of the tax, are designed to increase the use of lodging facilities, meeting facilities, or convention facilities in a county or to attract tourists or business travelers to the county. The term includes tourism-related capital expenditures.

Section 4 – Alleghany Tourism Development Authority

When the annual net proceeds of the occupancy tax exceed one hundred thousand dollars (\$100,000), the Alleghany Board of Commissioners shall adopt a resolution creating a county Tourism Development Authority, which shall be a public authority under the Local Government Budget and Fiscal Control Act. The resolution shall provide for the membership of the Authority, including the members' terms of office, and for the filing of vacancies on the Authority. At least one-third of the members must be individuals who are affiliated with businesses that collect the tax in the county, and at least three-fourths of the members must be individuals who are currently active in the promotion of travel and tourism in the county. The Board of Commissioners shall designate one member of the Authority as chair and shall determine the compensation, if any, to be paid to the members of the Authority. The Authority shall meet at the call of the chair and shall adopt rules of procedure to govern its meetings. The Finance Officer for Alleghany County shall be the ex officio finance officer of the Authority.

- (a) Duties—When the Board of Commissioners establishes a Tourism Development Authority as provided in Section 4 of this ordinance, then the Authority shall expend the net proceeds of the tax levied under this Act for the purposes provided in this Act. The Authority shall promote travel, tourism, and conventions in the county, sponsor tourist-related events and activities in the county, and finance tourist-related capital projects in the county.
- (b) Reports—When the Board of Commissioners establishes a Tourism Development Authority as provided in Section 4 of this ordinance, then the Authority shall report quarterly and at the close of the fiscal year to the Alleghany County Board of Commissioners on its receipts and expenditures for the preceding quarter and for the year in such detail as the board may require.

Section 5 – Effective Date

The effective date of this ordinance shall be November 1, 2004.

Adopted this the 7th day of September, 2004.

ATTEST:

ALLEGHANY BOARD OF COMMISSIONERS:

Karen Evans
Clerk to the Board

Eldon Edwards, Chair

Warren Taylor, Vice-Chair

Graylen Blevins, Member

Sandy Carter Herndon, Member

Patrick Woodie, Member

FILED
ALLEGHANY COUNTY
LIZABETH REEVE ROUPE
REGISTER OF DEEDS

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