

2021 Profile of North Carolina Occupancy Taxes and Their Allocation

April 2021



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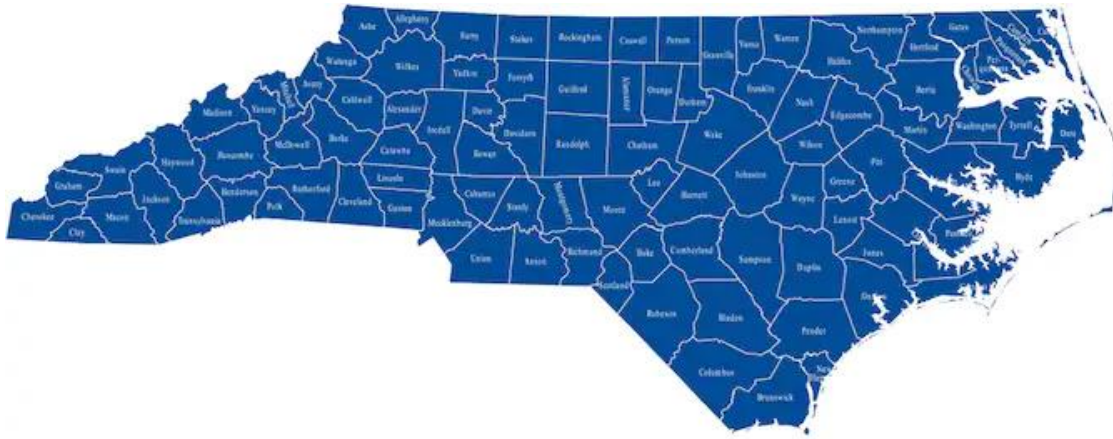


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About Magellan Strategy Group

Located at the intersection of strategic planning, research, and marketing

Magellan Strategy Group in Asheville, NC was founded in 2004 with the vision of providing tourism and hospitality organizations with a focus upon profitable opportunities through strategic insight. Since its founding, MSG has worked with a diverse group of “best in class” partners in several categories. MSG doesn’t believe in a one-size-fits-all approach for either clients or partners. Every client has needs that are different, and every market has opportunities that are unique, so MSG works only with partners that make sense for the client. MSG’s mantra is *“Create a dissatisfaction with the status quo.”* It’s at the heart of everything we do—developing solutions that generate meaningful results by identifying real benefits customers want and organizations can deliver.

Our services include:

- Strategic Planning
- Marketing Research
- Brand Strategy
- Marketing Audits
- Attraction and Destination Master Planning
- Marketing Strategy and Planning
- Tourism Policy

Magellan Strategy Group is a member of the Travel and Tourism Research Association, Southeast Tourism Society, North Carolina Travel Industry Association, and Destinations International. Magellan’s founder and president, Chris Cavanaugh, has 26 years of experience in the travel and tourism sector. He has been the recipient of the North Carolina Travel Industry Association Tourism Excellence Award and the Southeast Tourism Society’s Shining Example Award.

Overview

For more than three decades, beginning in 1983, local occupancy taxes enacted via legislation passed by the North Carolina General Assembly have been a popular and effective means of growing the visitor economy in Tar Heel State communities. These taxes paid by accommodations guests on the cost of their rooms have generated billions of dollars in direct tax revenue, and many billions more in visitor spending, sales and property taxes, and economic impact. Tourism is the backbone of the economy in many North Carolina communities, employing thousands of people, supporting numerous entrepreneurs, and generating revenue for small and large businesses alike in industries as diverse as banking, construction, and professional services.

The concept of the occupancy tax is relatively straightforward: guests pay a small additional amount as a percentage of their accommodations rate, and that tax is then remitted by the business owner to local government on a monthly basis. The revenue generated is usually administered at the local level in North Carolina by a state-created Tourism Development Authority (TDA) consisting of appointed individuals who are typically stakeholders in the local tourism economy and/or elected officials. In a few instances, collection and use of occupancy tax revenue is administered directly by county commissioners or city council members, in the same way that other local tax revenues such as property taxes are administered.

All local occupancy taxes in North Carolina must be enacted by the General Assembly, and every community is governed by its own distinct legislation (although these laws are often quite similar to one another). Unlike sales tax, no occupancy tax revenue is directed to the state government in North Carolina—100% remains at the local level. Occupancy taxes are typically applied to any property that also pays sales tax, including hotels, bed and breakfasts, cabins, condominiums, and rental homes for short-term stays (including Airbnb and VRBO in North Carolina). The tax is usually not applied to religious conference centers, colleges, campgrounds, youth camps, and RV parks.

There are a number of important observations about occupancy taxes in the state of North Carolina:

- Since the legislation is unique to each community, no two occupancy taxes are necessarily the same. Every community's situation is dependent upon a variety of considerations. These may include the strength of the local tourism sector; the number and types of rooming properties in each community; the concentration of accommodations within municipal boundaries (or the lack of cities or towns in some counties); the number of cities or towns in a county with their own occupancy tax; and competitive destination considerations. Simply put, every community's needs for developing their visitor economy are different, which is one reason why every piece of North Carolina occupancy tax legislation is unique. There are, however, many similarities in the tax legislation passed within the last two-plus decades.
- In North Carolina, consumers always pay sales tax on the cost of their accommodation in addition to occupancy tax. The sales taxes generated by accommodations amounts to many millions of additional dollars annually, all of which goes to state and local governments. Occupancy tax is also different from a prepared meals tax, which are levied by a few communities in North Carolina and governed by their own legislation.
- In some instances, a guest may pay occupancy taxes collected by two different governmental entities. A county may have an occupancy tax that covers all accommodations in the entire county, and the city or town where the property is located may also have their own occupancy tax in addition to that county's tax.
- Only one community in North Carolina has a **total** occupancy tax which exceeds 6%: Mecklenburg County, which has a separate 2% occupancy tax in addition to a base 6% tax. This additional tax was used to fund the development and operation of the NASCAR Hall of Fame in Charlotte.

- While occupancy tax **rates** in North Carolina communities can be compared to those found in destinations in other states, the laws and mechanisms which enable the collection of taxes and govern their investment vary greatly from state to state.
- The North Carolina House of Representatives adopted uniform provisions in 1997 as guidelines for future occupancy tax legislation in order to create standards for such legislation. (A copy of these guidelines is included in this report.) However, these guidelines did not retroactively affect legislation enacted prior to 1997, and the amount of money allocated for tourism promotion and other tourism-related uses at the local level is still dictated by specific local legislation.

Summary of Occupancy Taxes in North Carolina

Counties and cities or towns in North Carolina can both be enabled by the General Assembly to collect occupancy taxes. Of the 100 counties in the state, 81 have a county-wide tax on accommodations within their boundaries. Nine other counties have no occupancy tax levied within them at either the county or municipal level, while another eight counties have only a city or town that levies a tax. (Two counties are legislatively enabled to collect a countywide tax but do not do so.) There are also 99 cities and towns in the state which are legislatively enabled to collect an occupancy tax, typically in addition to a county-wide tax.

According to the Local Government Division of the North Carolina Department of Revenue, at least \$310 million in occupancy taxes were collected statewide at the local level in 2018-2019. The most current occupancy tax collection revenue figures from the Department of Revenue for each county, city, and town in the state can typically be found online here <https://partners.visitnc.com/tax-data>. The most recent data available from the Department of Revenue is also attached to this report as an appendix.

Total Counties in North Carolina		100
Counties without any occupancy tax <i>legislation</i> in place, at either the county or municipal level		9
Counties <i>enabled</i> to collect occupancy taxes, but which do not currently collect at the county level		2
Counties without their own occupancy tax legislation, but with at least one <i>city or town</i> that is legislatively enabled to collect occupancy taxes		8
Counties legislatively enabled to increase their current tax rate of at least 1% should they choose to do so		5
Total Cities and Towns in North Carolina		552
Cities and towns in North Carolina <i>legislatively enabled</i> to collect occupancy taxes		99
Cities and towns enabled to collect occupancy taxes, but which <i>do not currently collect</i>		13
Cities and towns legislatively enabled to increase their current tax rate of at least 1% should they choose to do so		2

There are now a total of 165 counties and cities or towns in North Carolina which levy an occupancy tax of at least 1%. (This number does not count specially-legislated separate taxing *districts within* certain communities, such as Beech Mountain District W or the Wilmington Convention Center District.) As noted, there are some counties in North Carolina that have a county occupancy tax but which also have towns or cities levying an additional room tax. There are also some counties and cities and towns legislatively enabled to raise their taxes beyond the current rate or to begin collecting an occupancy tax once it is approved at the local level. No combination of county and city occupancy taxes exceeds 6% with the exception of Mecklenburg County and its 8% tax.

There are 26 counties in North Carolina where the county and at least one city or town in that county both levy a separate occupancy tax on accommodations (within an incorporated area). There are also a few counties with occupancy tax legislation that covers only unincorporated areas in the county, where at least one city or town in that county also has its own unique tax applying to accommodations only within that jurisdiction.

The occupancy tax is **never** the only tax revenue generated by visitors in North Carolina. As previously noted, guests in commercial accommodations also pay applicable sales taxes on the cost of their rooms. The other businesses in which visitors (overnight and daytrip) spend money during their stays—restaurants, shops, attractions—pay millions of dollars in additional sales taxes. These tourism businesses also pay millions in property taxes that would otherwise not be generated if they did not exist. The revenue impact of visitors upon local and state government goes far beyond the occupancy tax paid by overnight guests.

Where Does the Money Go?

The **allocation** of occupancy tax revenue is often more of a differentiating factor between communities in North Carolina than the tax rate charged to guests. That's not to say that rates aren't comparable from destination to destination (and may be a factor in some destination selection, primarily for meeting and convention planners). But the rate is usually less important to governments and visitor economy stakeholders than how tax revenue is invested at the local level. For example, a 3% occupancy tax in one community that is allocated entirely to destination promotion isn't necessarily comparable to the same 3% tax in another community where 2% goes to destination promotion and 1% goes to tourism-related product development.

This analysis looks only at the legislatively enabled intended uses of occupancy taxes—the **actual** allocation of an occupancy tax in a community may indeed vary from both the spirit and, in a few cases, even the letter of the law. But

generally speaking, the use of North Carolina occupancy tax revenue at the local level falls into one of five categories:

1. Destination promotion
2. “Tourism-related” expenditures, which includes uses varying from festivals and events, to capital projects, to providing some municipal services in beach towns
3. Funding or debt support for tourism-related capital projects such as convention centers and arenas or visitor attractions
4. Beach renourishment
5. General fund revenue and other specifically non-tourism uses

There are now 151 counties and cities and towns actively collecting occupancy tax of at least 1% that dedicate some or all their tax revenue to destination promotion. There are 152 counties and cities and towns that also dedicate some of their tax revenue to “tourism-related” expenditures.

Some North Carolina coastal destinations are heavily dependent upon their beaches to attract visitation, so beach renourishment may be a priority for investment of tax revenue to maintain a critical tourism asset. Other communities are more dependent upon business travel and have fewer leisure visitors, so they have invested in convention centers. Some destinations have chosen to invest their occupancy tax revenue in sports or cultural infrastructure in order to grow their visitor economy. Others have invested the tax revenue in support of a variety of product development projects initiated by the public or private sectors.

It should be noted that just because a city or county government unit “receives” some or all the occupancy tax revenue collected in their jurisdiction does not necessarily mean those dollars go directly into their general fund. A local government entity may be the body that formally determines how the occupancy tax revenue is spent, but that is mostly where the enabling legislation pre-dates the uniform guidelines enacted in 1997. But in nearly every county and city or

town in North Carolina, those tax dollars must be invested in destination promotion and/or “tourism-related” expenditures. The unique local legislation always dictates how those tax dollars must be expended.

In some cases, such as designated funding for convention centers or cultural and sports facilities, the occupancy tax legislation is highly specific. In others, the language of “tourism-related” expenditures is sufficiently vague to empower local governments to allocate revenue to projects such as a YMCA or grants to festivals and events that may not necessarily attract visitors. The definition of “tourism-related” expenditures may depend upon the specific needs of the local visitor economy, but the term can be interpreted in many different ways.

Non-Tourism Uses of Occupancy Tax Funding

There are only seven counties in North Carolina which direct some or all of their occupancy tax revenue into a general fund to be expended on any unspecified “lawful public purpose,” as mandated by their local legislation: Ashe, Cleveland, Davie, Durham, Hertford, Hyde, and Lee. (This is different from occupancy tax revenue specifically dedicated to the development and operation of civic centers, convention facilities, arenas, and other traditional “tourism-related” venues.)

There are two towns that collect their own occupancy tax and are legislatively enabled to direct money into the general fund for any public purpose—Claremont (Catawba County) and Columbus (Polk County). In addition to destination promotion, Caldwell County’s occupancy tax legislation also provides for the funding of initiatives to promote “economic and industrial growth in the county.” The legislation for all of these counties and towns predates the House of Representatives occupancy tax guidelines first adopted in 1997.

The language in Orange County’s and Chapel Hill’s occupancy tax legislation is also not specific and can be read as allowing spending on non-tourism functions:

“The Town Council of the Town of Chapel Hill shall decide on the allocation of the revenues collected from this tax annually during its budgeting process with particular consideration given to providing funding for visitor information services and support for cultural events, and not less than ten percent [10%] of the annual revenues shall be used for those purposes.

“The Orange County Board of Commissioners shall decide on the allocation of the revenues collected from this tax annually during its budgeting process. At least ten percent (10%) of the annual revenues shall be used to provide funding for visitor information services and to support cultural events.

Dare County in North Carolina’s Outer Banks, which sees very large increases in its transient visitor population during the summer season, has legislation that specifically dictates a portion of its occupancy tax will go towards *“services or programs needed due to the impact of tourism on the county.”*

In several incorporated beach communities in Brunswick County (all of which have a relatively small number of permanent year-round residents), their individual occupancy tax legislation allows them to justify “tourism-related” expenditures as including the criminal justice system, fire protection, public facilities and utilities, health facilities, solid waste and sewage treatment control, and repair of waterfront erosion. These Brunswick communities are Caswell Beach, Holden Beach, Ocean Isle Beach, and Sunset Beach.

All the above instances of “non-tourism” occupancy tax spending in counties and cities and towns were enabled through individual legislation passed prior to the adoption of the uniform occupancy tax guidelines in 1997 by the North Carolina House of Representatives. These guidelines now direct any new occupancy tax legislation be written to mandate that **at least** 2/3 of occupancy tax revenue must be invested in destination promotion, and no more than 1/3 of the same tax revenue in “tourism-related” expenditures.

2020 NORTH CAROLINA OCCUPANCY TAX STATISTICS

Counties, Cities, and Towns Currently Levying Occupancy Taxes

NC Entities Levying an Occupancy Tax	Occupancy Tax Rate							Total
	1%	2%	3%	4%	5%	6%	Over 6%	
Cities & Towns	1	8	44	2	9	20	0	**84
Counties	2	0	28	4	8	38	*1	81
Total	3	8	72	6	17	58	1	165

* Mecklenburg County levies a total 8% occupancy tax.

** This number does not count specially-legislated separate taxing districts within communities like New Hanover County District U or the Wilmington Convention Center District.

Allocation of Occupancy Tax Net Proceeds*

NC Entities Levying an Occupancy Tax	Occupancy Tax Allocation		
	Tourism Promotion	"Tourism-Related" Expenditures	Non-Tourism Activities
Cities & Towns	74	84	7
Counties	77	68	10
Total	151	152	17

*Does not include administrative costs incurred by counties and cities or towns for tax collection and administration by their finance departments.

FY 2018-2019 Total Occupancy Tax Net Collections Top 10 Counties and Municipalities

	Counties*	Municipalities
1)	Mecklenburg \$ 64,457,020	Greensboro \$ 5,844,316
2)	Dare \$ 30,637,180	Wilmington \$ 5,000,812
3)	Wake \$ 29,328,077	Ocean Isle Beach \$ 2,604,058
4)	Buncombe \$ 25,339,145	Hickory \$ 2,177,957
5)	Durham \$ 13,389,189	Holden Beach \$ 2,104,731
6)	Currituck \$ 12,475,908	Oak Island \$ 2,017,746
7)	Carteret \$ 7,716,833	Lumberton \$ 1,655,581
8)	Cumberland \$ 7,228,557	Jacksonville \$ 1,528,013
9)	New Hanover \$ 7,119,680	Boone \$ 1,516,945
10)	Guilford \$ 6,588,717	Chapel Hill \$ 1,348,893

Source: Local Government Division, North Carolina Department of Revenue.

** Does not include any occupancy tax revenue collected separately by any municipalities within each county listed.*

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Appendix A

GUIDELINES FOR OCCUPANCY TAX LEGISLATION

Since 1983, the General Assembly has authorized many units of local government to levy a room occupancy tax. In several instances, the General Assembly has authorized both a county and a city within that county to impose an occupancy tax. The rate of tax, the use of the tax proceeds, the administration of the tax, and the body with the authority to determine how the tax proceeds will be spent vary considerably.

Over the past several years, there has been a greater effort to make the occupancy taxes uniform. In 1997, the General Assembly enacted uniform municipal and county administrative provisions for occupancy tax legislation – G.S. 153A-155 and G.S. 160A-215. These provisions provide uniformity in the areas of levy, administration, collection, repeal, and penalties.

The North Carolina Travel and Tourism Coalition (NCTTC) has a policy statement for legislation authorizing local occupancy taxes. Many of the principles contained in its statement are similar to the ones established by the House Finance Committee in 1993. Subsequently, the House Finance Committee established the Occupancy Tax Subcommittee, which regularly reviews occupancy tax legislation and looks for the inclusion of the following uniform provisions in the bills it considers:

- ◆ **Rate** – The county tax rate cannot exceed 6% and the city tax rate, when combined with the county rate, cannot exceed 6%.
- ◆ **Use** – At least two-thirds of the proceeds must be used to promote travel and tourism and the remainder must be used for tourism-related expenditures, which may include beach nourishment. However, local governments in coastal counties may allocate up to 50% of occupancy tax proceeds for beach nourishment, so long as all remaining proceeds are used for tourism promotion and provided that the use of occupancy tax proceeds for beach nourishment is limited by either a statutory cap or sunset provision.¹
- ◆ **Definitions** The terms "net proceeds", "promote travel and tourism", "tourism-related expenditures", and "beach nourishment" are defined terms:
 - **Net proceeds** – Gross proceeds less the costs to the city/county of administering and collecting the tax, as determined by the finance officer, not to exceed 3% of the first \$500,000 of gross proceeds collected each year and 1% of the remaining gross receipts collected each year.
 - **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 these activities.
 - **Tourism-related expenditures** – Expenditures that, in the judgment of the Tourism Development Authority, are designed to increase the use of lodging facilities, meeting facilities, and convention facilities in a city/county by

¹In May 2013, the North Carolina Travel and Tourism Coalition passed a resolution supporting a modification to the Occupancy Tax Guidelines to allow local governments in coastal counties to allocate up to 50% of occupancy tax proceeds for Beach Nourishment, so long as all remaining proceeds are used for tourism promotion and provided that the use of occupancy tax proceeds for Beach Nourishment is limited by either a statutory cap or sunset provision.

attracting tourists or business travelers to the city/county. The term includes tourism-related capital expenditures.

- **Beach Nourishment**² – The placement of sand, from other sand sources, on a beach or dune by mechanical means and other associated activities that are in conformity with the North Carolina Coastal Management Program along the North Carolina shorelines and connecting inlets for the purpose of widening the beach to benefit public recreational use and mitigating damage and erosion from storms to inland property. The term includes expenditures for the following:
 - a. Costs directly associated with qualifying for projects either contracted through the U.S. Army Corps of Engineers or otherwise permitted by all appropriate federal and State agencies;
 - b. The nonfederal share of the cost required to construct these projects;
 - c. The costs associated with providing enhanced public beach access; and
 - d. The costs of associated nonhardening activities such as the planting of vegetation, the building of dunes, and the placement of sand fences.
- ◆ **Administration** – The net revenues must be administered by a local tourism promotion agency, typically referred to as a “Tourism Development Authority,” that has the authority to determine how the tax proceeds will be used, is created by a local ordinance, and at least ½ of the members must be currently active in the promotion of travel and tourism in the taxing district and 1/3 of the members must be affiliated with organizations that collect the tax.³
- ◆ **Costs of Collection** – The taxing authority may retain from the revenues its actual costs of collection, not to exceed 3% of the first \$500,000 collected each year plus 1% of the remainder collected each year.
- ◆ **Conformity with Other Local Occupancy Taxes** – In 2008, the NCTTC formally revised its policy position with regard to occupancy taxes to include a statement that if a city seeks to impose a new occupancy tax or increase its existing tax on lodging facilities in a county that also has an existing occupancy tax, the county occupancy tax must conform to the guidelines in order for the Coalition to support the proposed municipal tax. During the 2009 Regular Session, the House Finance Chairs⁴ considered the revised policy statement of the NCTTC but declined to amend the House Finance Committee's Guidelines for Occupancy Tax accordingly.

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NC General Assembly
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²During the 2001 Regular Session, the Occupancy Tax Subcommittee of the House Finance Committee considered several bills authorizing the use occupancy tax proceeds for beach nourishment. Although “beach nourishment” was not among the uses contained in the uniform guidelines, the subcommittee nevertheless concluded that beach nourishment was an acceptable expansion of the occupancy tax use provisions. In doing so, the subcommittee drafted this uniform definition of beach nourishment for use in occupancy tax legislation.

³ In March 2005, the House Finance chairs decided to change the percentage of members that must be currently active in the promotion of travel and tourism from ¾ to ½. The House Finance chairs in 2005-06 were: Representatives Alexander, Gibson, Howard, Luebke, McComas, and Wainwright.

⁴ During the 2009-2010 Session, the House Finance chairs were: Representatives Luebke, Wainwright, Weiss, and Gibson.

§ 153A-155. Uniform provisions for room occupancy taxes.

(a) Scope. – This section applies only to counties the General Assembly has authorized to levy room occupancy taxes.

(b) Levy. – A room occupancy tax may be levied only by resolution, after not less than 10 days' public notice and after a public hearing held pursuant thereto. A room occupancy tax shall become effective on the date specified in the resolution levying the tax. That date must be the first day of a calendar month, however, and may not be earlier than the first day of the second month after the date the resolution is adopted.

(c) Collection. – A retailer who is required to remit to the Department of Revenue the State sales tax imposed by G.S. 105-164.4(a)(3) on accommodations is required to remit a room occupancy tax to the taxing county on and after the effective date of the levy of the room occupancy tax. The room occupancy tax applies to the same gross receipts as the State sales tax on accommodations and is calculated in the same manner as that tax. A rental agent or a facilitator, as defined in G.S. 105-164.4(a)(3), has the same responsibility and liability under the room occupancy tax as the rental agent or facilitator has under the State sales tax on accommodations.

If a taxable accommodation is furnished as part of a package, the bundled transaction provisions in G.S. 105-164.4D apply in determining the sales price of the taxable accommodation. If those provisions do not address the type of package offered, the person offering the package may determine an allocated price for each item in the package based on a reasonable allocation of revenue that is supported by the person's business records kept in the ordinary course of business and calculate tax on the allocated price of the taxable accommodation.

A retailer must separately state the room occupancy tax. Room occupancy taxes paid to a retailer are held in trust for and on account of the taxing county.

The taxing county shall design and furnish to all appropriate businesses and persons in the county the necessary forms for filing returns and instructions to ensure the full collection of the tax. A retailer who collects a room occupancy tax may deduct from the amount remitted to the taxing county a discount equal to the discount the State allows the retailer for State sales and use tax.

(d) Administration. – The taxing county shall administer a room occupancy tax it levies. A room occupancy tax is due and payable to the county finance officer in monthly installments on or before the 20th day of the month following the month in which the tax accrues. Every person, firm, corporation, or association liable for the tax shall, on or before the 20th day of each month, prepare and render a return on a form prescribed by the taxing county. The return shall state the total gross receipts derived in the preceding month from rentals upon which the tax is levied. A room occupancy tax return filed with the county finance officer is not a public record and may not be disclosed except in accordance with G.S. 153A-148.1 or G.S. 160A-208.1.

(e) Penalties. – A person, firm, corporation, or association who fails or refuses to file a room occupancy tax return or pay a room occupancy tax as required by law is subject to the civil and criminal penalties set by G.S. 105-236 for failure to pay or file a return for State sales and use taxes. The governing board of the taxing county has the same authority to waive the penalties for a room occupancy tax that the Secretary of Revenue has to waive the penalties for State sales and use taxes.

(f) Repeal or Reduction. – A room occupancy tax levied by a county may be repealed or reduced by a resolution adopted by the governing body of the county. Repeal or reduction of a room occupancy tax shall become effective on the first day of a month and may not become effective until the end of the fiscal year in which the resolution was adopted. Repeal or

reduction of a room occupancy tax does not affect a liability for a tax that was attached before the effective date of the repeal or reduction, nor does it affect a right to a refund of a tax that accrued before the effective date of the repeal or reduction.

(f1) Use. – The proceeds of a room occupancy tax shall not be used for development or construction of a hotel or another transient lodging facility.

(g) Applicability. – Subsection (c) of this section applies to all counties and county districts that levy an occupancy tax. To the extent subsection (c) conflicts with any provision of a local act, subsection (c) supersedes that provision. The remainder of this section applies only to Alleghany, Anson, Brunswick, Buncombe, Burke, Cabarrus, Camden, Carteret, Caswell, Chatham, Cherokee, Chowan, Clay, Craven, Cumberland, Currituck, Dare, Davie, Duplin, Durham, Edgecombe, Forsyth, Franklin, Granville, Halifax, Haywood, Henderson, Jackson, Madison, Martin, McDowell, Montgomery, Moore, Nash, New Hanover, Northampton, Pasquotank, Pender, Perquimans, Person, Randolph, Richmond, Rockingham, Rowan, Rutherford, Sampson, Scotland, Stanly, Swain, Transylvania, Tyrrell, Vance, Washington, and Wilson Counties, to New Hanover County District U, to Surry County District S, to Watauga County District U, to Wilkes County District K, to Yadkin County District Y, and to the Township of Averagesboro in Harnett County and the Ocracoke Township Taxing District. (1997-102, s. 3; 1997-255, s. 2; 1997-342, s. 2; 1997-364, s. 3; 1997-410, s. 6; 1998-14, s. 2; 1999-155, s. 2; 1999-205, s. 2; 1999-286, s. 2; 2000-103, s. 5; 2001-162, s. 2; 2001-305, s. 2; 2001-321, s. 3; 2001-381, s. 10; 2001-434, s. 1; 2001-439, s. 18.2; 2001-468, s. 3; 2001-480, s. 14; 2001-484, s. 2; 2002-138, s. 5; 2004-106, s. 2; 2004-120, s. 3; 2004-170, ss. 36(a), 42(a); 2004-199, s. 60(a); 2005-16, s. 2; 2005-46, s. 1.2; 2005-53, s. 2; 2005-197, s. 6; 2005-233, s. 6.1; 2006-120, s. 8.1; 2006-127, s. 2; 2006-128, s. 6; 2006-129, s. 2; 2006-162, s. 20(a); 2006-167, s. 7(e); 2006-264, s. 81(a); 2007-19, s. 3; 2007-63, s. 3; 2007-223, s. 3; 2007-224, s. 5; 2007-265, s. 2; 2007-315, s. 2; 2007-318, s. 2; 2007-337, s. 3; 2007-340, s. 9; 2007-527, ss. 23, 43; 2008-33, s. 2; 2008-134, s. 12(b); 2008-187, s. 31; 2009-112, s. 4; 2009-157, s. 2; 2009-297, s. 3; 2010-31, ss. 31.6(c), (d); 2010-78, s. 10; 2010-123, s. 10.2; 2011-113, s. 4; 2011-115, s. 4; 2011-170, s. 5; 2012-100, s. 1; 2012-144, s. 4; 2012-194, s. 35; 2013-255, s. 3.)

§ 160A-215. Uniform provisions for room occupancy taxes.

(a) Scope. – This section applies only to municipalities the General Assembly has authorized to levy room occupancy taxes. For the purpose of this section, the term "city" means a municipality.

(b) Levy. – A room occupancy tax may be levied only by resolution, after not less than 10 days' public notice and after a public hearing held pursuant thereto. A room occupancy tax shall become effective on the date specified in the resolution levying the tax. That date must be the first day of a calendar month, however, and may not be earlier than the first day of the second month after the date the resolution is adopted.

(c) Collection. – A retailer who is required to remit to the Department of Revenue the State sales tax imposed by G.S. 105-164.4(a)(3) on accommodations is required to remit a room occupancy tax to the taxing city on and after the effective date of the levy of the room occupancy tax. The room occupancy tax applies to the same gross receipts as the State sales tax on accommodations and is calculated in the same manner as that tax. A rental agent or a facilitator, as defined in G.S. 105-164.4(a)(3), has the same responsibility and liability under the room occupancy tax as the rental agent or facilitator has under the State sales tax on accommodations.

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A retailer must separately state the room occupancy tax. Room occupancy taxes paid to a retailer are held in trust for and on account of the taxing city.

The taxing city shall design and furnish to all appropriate businesses and persons in the city the necessary forms for filing returns and instructions to ensure the full collection of the tax. An operator of a business who collects a room occupancy tax may deduct from the amount remitted to the taxing city a discount equal to the discount the State allows the retailer for State sales and use tax.

(d) Administration. – The taxing city shall administer a room occupancy tax it levies. A room occupancy tax is due and payable to the city finance officer in monthly installments on or before the 20th day of the month following the month in which the tax accrues. Every person, firm, corporation, or association liable for the tax shall, on or before the 20th day of each month, prepare and render a return on a form prescribed by the taxing city. The return shall state the total gross receipts derived in the preceding month from rentals upon which the tax is levied. A room occupancy tax return filed with the city finance officer is not a public record and may not be disclosed except in accordance with G.S. 153A-148.1 or G.S. 160A-208.1.

(e) Penalties. – A person, firm, corporation, or association who fails or refuses to file a room occupancy tax return or pay a room occupancy tax as required by law is subject to the civil and criminal penalties set by G.S. 105-236 for failure to pay or file a return for State sales and use taxes. The governing board of the taxing city has the same authority to waive the penalties for a room occupancy tax that the Secretary of Revenue has to waive the penalties for State sales and use taxes.

(f) Repeal or Reduction. – A room occupancy tax levied by a city may be repealed or reduced by a resolution adopted by the governing body of the city. Repeal or reduction of a room occupancy tax shall become effective on the first day of a month and may not become effective until the end of the fiscal year in which the resolution was adopted. Repeal or

reduction of a room occupancy tax does not affect a liability for a tax that was attached before the effective date of the repeal or reduction, nor does it affect a right to a refund of a tax that accrued before the effective date of the repeal or reduction.

(f1) Use. – The proceeds of a room occupancy tax shall not be used for development or construction of a hotel or another transient lodging facility.

(g) Applicability. – Subsection (c) of this section applies to all cities that levy an occupancy tax. To the extent subsection (c) conflicts with any provision of a local act, subsection (c) supersedes that provision. The remainder of this section applies only to Beech Mountain District W, to the Cities of Belmont, Conover, Eden, Elizabeth City, Gastonia, Goldsboro, Greensboro, Hickory, High Point, Jacksonville, Kings Mountain, Lenoir, Lexington, Lincolnton, Lowell, Lumberton, Monroe, Mount Airy, Mount Holly, Reidsville, Roanoke Rapids, Salisbury, Shelby, Statesville, Washington, and Wilmington, to the Towns of Ahoskie, Beech Mountain, Benson, Bermuda Run, Blowing Rock, Boiling Springs, Boone, Burgaw, Carolina Beach, Carrboro, Cooleemee, Cramerton, Dallas, Dobson, Elkin, Fontana Dam, Franklin, Grover, Hillsborough, Jonesville, Kenly, Kure Beach, Leland, McAdenville, Mocksville, Mooresville, Murfreesboro, North Topsail Beach, Pembroke, Pilot Mountain, Ranlo, Robbinsville, Selma, Smithfield, St. Pauls, Swansboro, Troutman, Tryon, West Jefferson, Wilkesboro, Wrightsville Beach, Yadkinville, and Yanceyville, and to the municipalities in Avery and Brunswick Counties. (1997-361, s. 4; 1997-364, s. 5; 1997-410, s. 3; 1997-447, s. 2; 1998-112, s. 4; 1999-258, s. 3; 1999-302, s. 2; 2000-103, s. 9; 2001-11, s. 2; 2001-365, s. 3; 2001-434, s. 9; 2001-439, s. 18.1; 2002-94, s. 4; 2002-95, s. 3; 2002-138, s. 2; 2002-139, s. 2; 2002-159, s. 62; 2003-281, s. 14; 2004-105, s. 3; 2004-170, ss. 36(b), 42(b); 2004-199, s. 60(b); 2005-16, s. 3; 2005-46, s. 2.3; 2005-49, s. 3; 2005-220, s. 5; 2005-233, s. 6.2; 2005-435, s. 45; 2006-118, s. 4; 2006-120, ss. 8.2, 10.2; 2006-148, s. 3; 2006-162, s. 20(b); 2006-164, s. 3; 2006-167, s. 3; 2006-264, ss. 19, 81(a); 2007-224, s. 6; 2007-317, s. 3; 2007-340, s. 10; 2007-484, s. 43; 2007-527, s. 42; 2008-64, s. 2; 2008-134, s. 12(c); 2009-169, s. 8; 2009-291, s. 2; 2009-428, s. 4; 2009-429, s. 8; 2010-31, s. 31.6(e), (f); 2010-78, s. 11; 2010-123, s. 10.2; 2011-69, s. 2; 2011-170, s. 6; 2012-107, s. 2; 2013-351, s. 1.3.)

Appendix B

Occupancy tax collections fiscal year 2018-2019

Counties	Rate	Total net collections	Municipalities	Rate	Total net collections
	%	\$		%	\$
ALAMANCE COUNTY	3%	962,310			
ALLEGHANY COUNTY	6%	80,471			
ANSON COUNTY	6%	35,667			
ASHE COUNTY	3%	300,956	TOWN OF WEST JEFFERSON	3%	72,400
AVERY COUNTY			TOWN OF BANNER ELK	6%	497,665
			TOWN OF SUGAR MOUNTAIN	6%	287,054
BEAUFORT COUNTY			TOWN OF WASHINGTON	6%	438,325
BRUNSWICK COUNTY	1%	1,677,037	CITY OF SOUTHPORT	3%	113,267
			TOWN OF CASWELL BEACH	6%	322,839
			TOWN OF HOLDEN BEACH	6%	2,104,731
			TOWN OF LELAND	3%	117,659
			TOWN OF OAK ISLAND	5%	2,017,746
			TOWN OF OCEAN ISLE BEACH	6%	2,604,058
			TOWN OF SHALLOTTE	3%	80,958
			TOWN OF SUNSET BEACH	5%	925,459
			VILLAGE OF BALD HEAD ISLAND	6%	a 1,155,101
BUNCOMBE COUNTY	6%	25,339,145			
BURKE COUNTY	6%	572,103			
CABARRUS COUNTY	6%	5,711,875			
CALDWELL COUNTY	3%	139,971	CITY OF LENOIR	3%	108,471
CAMDEN COUNTY	6%	19,388			
CARTERET COUNTY	6%	7,716,833			
CATAWBA COUNTY			CITY OF CLAREMONT	4%	10,684
			CITY OF HICKORY	6%	2,177,957
CHATHAM COUNTY	3%	139,165			

CHEROKEE COUNTY	4%	406,680		
CHOWAN COUNTY	5%	183,521		
CLAY COUNTY	3%	39,344		
CLEVELAND COUNTY	3%	466,901	CITY OF KINGS MOUNTAIN	3% 116,413
			CITY OF SHELBY	3% 327,982
			TOWN OF BOILING SPRINGS	3% 21,437
			TOWN OF GROVER	3% 965
				466,797
COLUMBUS COUNTY	3%	193,029		
CRAVEN COUNTY	6%	2,112,498		
CUMBERLAND COUNTY	6%	7,228,557		
CURRITUCK COUNTY	6%	12,475,908		
DARE COUNTY	6%	30,637,180		
DAVIDSON COUNTY			CITY OF LEXINGTON	6% 367,932
			CITY OF THOMASVILLE	6% 150,420
DAVIE COUNTY	3%	144,440	TOWN OF BERMUDA RUN	3% 58,011
			TOWN OF MOCKSVILLE	3% 56,929
DUPLIN COUNTY	6%	293,465		
DURHAM COUNTY	6%	13,389,189		
EDGECOMBE COUNTY	6%	94,471		
FORSYTH COUNTY	6%	6,562,411		
FRANKLIN COUNTY	6%	71,289		
GASTON COUNTY	3%	1,703,856	CITY OF BELMONT	3% 97,229
			CITY OF GASTONIA	3% 702,015
			CITY OF MOUNT HOLLY	3% 83,369
GRAHAM COUNTY	3%	266,860	TOWN OF FONTANA DAM	3% 78,373
			TOWN OF ROBBINSVILLE	3% 38,522
GRANVILLE COUNTY	6%	287,488		

GUILFORD COUNTY	3%	6,588,717	CITY OF GREENSBORO	3%	5,844,316
			CITY OF HIGH POINT	3%	405,082
			TOWN OF KERNERSVILLE	3%	173,887
HALIFAX COUNTY	5%	928,761	CITY OF ROANOKE RAPIDS	1%	157,219
HARNETT COUNTY	3%	50,830	CITY OF DUNN	6%	612,808
HAYWOOD COUNTY	4%	1,646,580			
HENDERSON COUNTY	5%	2,550,107			
HERTFORD COUNTY	3%	63,140	TOWN OF AHOSKIE	3%	63,294
HYDE COUNTY	5%	900,094			
IREDELL COUNTY			CITY OF STATESVILLE	5%	1,150,853
			TOWN OF MOORESVILLE	4%	1,083,675
			TOWN OF TROUTMAN	3%	1,256
JACKSON COUNTY	4%	1,174,014			
JOHNSTON COUNTY	3%	1,046,476	TOWN OF BENSON	2%	58,276
			TOWN OF KENLY	2%	35,150
			TOWN OF SELMA	2%	133,088
			TOWN OF SMITHFIELD	2%	288,289
LEE COUNTY	3%	270,577	CITY OF SANFORD	3%	269,796
LENOIR COUNTY	3%	225,597	CITY OF KINSTON	3%	235,563
LINCOLN COUNTY	3%	151,311	CITY OF LINCOLNTON	3%	136,798
MACON COUNTY	3%	1,011,827	TOWN OF FRANKLIN	3%	147,792
MADISON COUNTY	5%	385,138			
MARTIN COUNTY	6%	330,785			
MCDOWELL COUNTY	5%	591,010			
MECKLENBURG COUNTY	8%				
Occupancy Tax	6%	48,455,680			
NASCAR Tax	2%	16,001,340			
MITCHELL COUNTY	3%	66,331			

MONTGOMERY COUNTY	3%	42,208			
MOORE COUNTY	3%	1,885,704			
NASH COUNTY	5%	1,738,285			
NEW HANOVER COUNTY	3%	b	7,119,680	CITY OF WILMINGTON	3% 5,000,812
				TOWN OF CAROLINA BEACH	3% 1,432,489
				TOWN OF KURE BEACH	3% 585,320
				TOWN OF WRIGHTSVILLE BEACH	3% 1,311,778
NORTHAMPTON COUNTY	6%	83,171			
ONslow COUNTY	3%	2,776,596		CITY OF JACKSONVILLE	3% 1,528,013
				TOWN OF NORTH TOPSAIL BEACH	3% 1,078,436
				TOWN OF SWANSBORO	3% 98,782
ORANGE COUNTY	3%	1,671,718		TOWN OF CARRBORO	3% 190,358
				TOWN OF CHAPEL HILL	3% 1,348,893
				TOWN OF HILLSBOROUGH	3% 73,225
PAMLICO COUNTY				TOWN OF ORIENTAL	3% 29,526
PASQUOTANK COUNTY	6%	697,858			
PENDER COUNTY	3%	28,089		TOWN OF BURGAW	3% 12,616
				TOWN OF SURF CITY	3% * 705,327
				TOWN OF TOPSAIL BEACH	3% 431,048
PERQUIMANS COUNTY	6%	10,644			
PERSON COUNTY	6%	282,990			
PITT COUNTY	6%	2,641,175			
POLK COUNTY	3%	289,106		TOWN OF COLUMBUS	3% 32,686
				TOWN OF TRYON	3% 24,021
RANDOLPH COUNTY	5%	1,149,609			
RICHMOND COUNTY	3%	478,100			

ROBESON COUNTY			CITY OF LUMBERTON	6%	1,655,581
			TOWN OF PEMBROKE	3%	46,895
			TOWN OF ROWLAND	2%	9,197
			TOWN OF ST PAULS	6%	41,337
ROCKINGHAM COUNTY	3%	418,497	CITY OF EDEN	2%	85,804
			CITY OF REIDSVILLE	2%	77,172
ROWAN COUNTY	6%	1,042,457	CITY OF SALISBURY	3%	
RUTHERFORD COUNTY	6%	1,592,537			
SAMPSON COUNTY	6%	199,177			
SCOTLAND COUNTY	6%	371,386			
STANLY COUNTY	6%	332,201			
SURRY COUNTY	6%	111,256	CITY OF MOUNT AIRY	6%	520,236
			TOWN OF DOBSON	6%	126,457
			TOWN OF ELKIN	6%	160,536
			TOWN OF PILOT MOUNTAIN	6%	25,792
SWAIN COUNTY	4%	1,009,426			
TRANSYLVANIA COUNTY	5%	924,270			
TYRRELL COUNTY	6%	5,268			
UNION COUNTY			CITY OF MONROE	5%	635,256
VANCE COUNTY	6%	402,028			
WAKE COUNTY	6%	29,328,077			
WASHINGTON COUNTY	6%	146,847			
WATAUGA COUNTY	6%	c 1,837,552	TOWN OF BEECH MOUNTAIN	6%	405,461
			TOWN OF BLOWING ROCK	6%	1,078,877
			TOWN OF BOONE	6%	1,516,945
			TOWN OF SEVEN DEVILS	6%	166,344
WAYNE COUNTY	1%	214,829	CITY OF GOLDSBORO	5%	959,917
WILKES COUNTY			TOWN OF WILKESBORO	3%	172,755

WILSON COUNTY	6%	1,372,961			
YADKIN COUNTY	6%	c	26,620	TOWN OF JONESVILLE	6% 321,578
				TOWN OF YADKINVILLE	6% 34,397
YANCEY COUNTY	3%	102,959			
TOTAL		\$ 262,023,604			\$ 48,321,777

NOTES

Data compiled from reports furnished by counties and municipalities to the Local Government Division, North Carolina Department of Revenue

a The Village of Bald Head Island is exempt from the 1% Brunswick County tax

b New Hanover Occupancy Tax is 3% countywide, with an additional 3% in unincorporated areas.

c Watauga County and Yadkin County Occupancy Taxes only apply in unincorporated areas.

Appendix C

North Carolina County/ Municipality	2020 Occupancy Tax Rate	Can Levy Up to __%	Occupancy Tax Allocation	Allocation to Tourism Promotion	Allocation to Tourism-Related Expenditures	Allocation to Generally Non-Tourism Activities
Alamance	3%		<p><i>2/3 to the Tourism Development Authority</i> - Used to further the development of travel, tourism, and conventions through advertising and promotion.</p> <p><i>1/3 to Alamance County</i> - Used for acquiring, constructing, financing (including debt service), maintaining, and operating civic centers, arts centers, libraries, parks, museums, and recreational facilities, and for visitor-related programs and activities including, but not limited to, museums and other art or cultural programs, events, and festivals.</p>	2%	1%	
Alexander	–					
Alleghany	6%		<p><i>First 3% to the Alleghany County Chamber of Commerce</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.</p> <p><i>Remaining 3% to the Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.</p>	4%	2%	
Anson	6%		<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	4%	2%	
Ashe	3%		<p><i>1/3 to the Ashe County Chamber of Commerce</i> - Used to promote travel & tourism.</p> <p><i>2/3 to Ashe County</i> - Used for any public purpose.</p>	1%		2%
West Jefferson	3%		<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	2%	1%	
Avery	–					
Banner Elk	6%		<i>Tourism Development Authority of the taxing city</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	4%	2%	
Crossnore	0%	6%				
Elk Park	0%	6%				
Grandfather Village	0%	6%				
Linville	0%	6%				
Newland	0%	6%				
Sugar Mountain	6%					
Beaufort	–					
Washington	6%		<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	4%	2%	
Bertie	–					
Bladen	–					

North Carolina County/ Municipality	2020 Occupancy Tax Rate	Can Levy Up to ___%	Occupancy Tax Allocation	Allocation to Tourism Promotion	Allocation to Tourism-Related Expenditures	Allocation to Generally Non-Tourism Activities
Brunswick	1%	5%	<i>Tourism Development Authority</i> - Used to promote travel & tourism.	1%		
Bald Head Island	6%*		<i>Village Council</i> - Used to promote tourism and for tourism-related expenditures. *County tax does not apply to this municipality.	0% - 6%	0% - 6%	
Caswell Beach	5%		<i>Town Council</i> - First 3% used for tourism-related expenditures which include the criminal justice system, fire protection, health facilities, waste & sewage treatment, control/repair of waterfront erosion, and remaining 2% used only for beach nourishment and protection.		2%	3%
Holden Beach	5%		<i>Town Council</i> - First 3% used for tourism-related expenditures which include the criminal justice system, fire protection, health facilities, waste & sewage treatment, control/repair of waterfront erosion, and remaining 2% used only for beach nourishment and protection.		2%	3%
Leland	3%		<i>Tourism Development Authority</i> - At least 2/3 used to promote travel & tourism; remainder used for tourism-related expenditures.	2%	1%	
Oak Island	5%		<i>Town Board of Commissioners</i> - First 3% used for tourism-related expenditures; remaining 2% used only for beach nourishment and protection.		5%	
Ocean Isle Beach	5%		<i>City officials</i> - First 3% used for tourism-related expenditures which include the criminal justice system, fire protection, health facilities, waste & sewage treatment, control/repair of waterfront erosion, and remaining 2% used only for beach nourishment and protection.		2%	3%
Shallotte	3%		<i>Tourism Development Authority</i> - At least 1/2 used to promote travel & tourism; remainder used for tourism-related expenditures.	1.5%	1.5%	
Southport	3%		<i>Tourism Development Authority</i> - At least 2/3 used to promote travel & tourism; remainder used for tourism-related expenditures.	2%	1%	
Sunset Beach	5%		<i>City officials</i> - First 3% used for tourism-related expenditures which include the criminal justice system, fire protection, health facilities, waste & sewage treatment, control/repair of waterfront erosion, and remaining 2% used only for beach nourishment .		2%	3%
Buncombe	6%		<i>Tourism Development Authority</i> - 3/4 used only to further the development of travel, tourism, and conventions in the county through State, national and international advertising & promotion, and 1/4 remitted to a Tourism Product Development Fund to provide financial assistance for major tourism projects in order to significantly increase patronage of lodging facilities in Buncombe County.	4.5%	1.5%	
Burke	6%		<i>Tourism Development Authority</i> - Of the first 3%, at least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures. Remaining 3% of the tax is distributed to a Morganton account (45%), a Burke County account (30%), and a Valdese account (25%), and used in the same way as the first 3%.	4%	2%	
Cabarrus	6%		<i>County Tourism Authority</i> - Used to develop or promote tourism, tourist-related support services and facilities, tourist-related events, tourist-related activities, or tourist attractions.	0% - 6%	0% - 6%	
Caldwell	3%		<i>Caldwell County Chamber of Commerce</i> - After 15% of funds for admin, 1/2 used to promote travel & tourism and sponsor tourist-oriented events/activities, and 1/2 used to promote industrial and economic growth.	1.5%		1.5%
Lenoir	3%		<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	2%	1%	

North Carolina County/ Municipality	2020 Occupancy Tax Rate	Can Levy Up to __%	Occupancy Tax Allocation	Allocation to Tourism Promotion	Allocation to Tourism-Related Expenditures	Allocation to Generally Non-Tourism Activities
Camden	6%		<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	4%	2%	
Carteret	6%		50% to the <i>Carteret County Tourism Development Authority</i> to promote travel and tourism; 50% to <i>Carteret County</i> for beach nourishment.	3%	3%	
Caswell	0%	3%	<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.			
Yanceyville	0%	3%	<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.			
Catawba	-					
Claremont	4%		<i>City of Claremont</i> - Proceeds deposited in the general fund.			
Conover	6%		<i>City of Conover</i> - Remits its tax to the Hickory-Conover TDA.	4%	2%	4%
Hickory	6%		<i>Hickory-Conover Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	4%	2%	
Chatham	3%		<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	2%	1%	
Cherokee	4%		<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	2.66%	1.33%	
Chowan	5%		<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	3.33%	1.66%	
Clay	3%		<i>Clay County Commissioners</i> (until net proceeds exceed \$150,000, then a TDA will be formed)- At least 2/3 to promote travel and tourism; remainder for tourism-related expenditures.	3%		
Cleveland	3%		<i>County Commissioners</i> - Used for any public purpose.			3%
Boiling Springs	3%		<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	2%	1%	
Grover	3%		<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	2%	1%	
Kings Mountain	3%		<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	2%	1%	
Shelby	3%		<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	2%	1%	
Columbus	3%		<i>Columbus County Tourism Board</i> -Used to promote travel & tourism and for tourism-related expenditures.	0% - 3%	0% - 3%	

North Carolina County/ Municipality	2020 Occupancy Tax Rate	Can Levy Up to ___%	Occupancy Tax Allocation	Allocation to Tourism Promotion	Allocation to Tourism-Related Expenditures	Allocation to Generally Non-Tourism Activities
Craven	6%		<p><i>First 3% to the Tourism Development Authority</i> - Used for: 1) Direct advertising costs for visitor promotions, conventions, or tourism; 2) Marketing and promotions expenses; 3) Operating expenses for the Visitor Information Center; 4) Salaries, benefits, and expenses for Visitor Information Center personnel; and 5) Other expenses that aid and encourage visitor promotions, conventions, or tourism. (35% of net proceeds in excess of \$100,000 of the first 3% collected is remitted to the Room Tax Trust Fund.)</p> <p><i>Remaining 3% to the Room Tax Trust Fund</i> - Used to construct, maintain, operate, or market a convention or meeting facility in New Bern and a tourist center in Havelock.</p>	2% - 6%	0% - 4%	
Cumberland	6%		<p><i>Of the first 3%:</i></p> <p>1) <i>1/2 to Cumberland County</i> - Used for the benefit of the Cumberland County Auditorium Commission to help finance major repairs, renovation, rehabilitation, or other capital improvements to its existing facilities and any new additions. May also be utilized by the Commission for financing construction of new convention-oriented or multipurpose facilities.</p> <p>2) <i>Remaining 1/2</i> - Used specifically for advertising the auditorium and promoting travel & tourism.</p> <p><i>Remaining 3% to the Tourism Development Authority</i> - 1/2 used to promote travel & tourism and for tourism-related expenditures, and 1/2 distributed to the Arts Council of Fayetteville/Cumberland County for arts festivals and other arts events that will draw tourists or other business travelers to the area.</p>	3%	3%	
Currituck	6%		<p><i>Tourism Development Authority (County Commissioners)</i> - First 3% used only for tourism-related expenditures including beach nourishment. Of the remaining 3%, at least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.</p>	2%	4%	
Dare	6%		<p><i>Of the first 3%</i> - Used only for tourist-related purposes, including construction and maintenance of public facilities and buildings, garbage, refuse, solid waste collection and disposal, police protection and emergency services:</p> <p>1) <i>2/3 to the six towns</i> (Duck, Southern Shores, Kitty Hawk, Kill Devil Hills, Nags Head, Manteo)- distributed in proportion to the amount of ad valorem tax levied by each town for the preceding fiscal year.</p> <p>2) <i>1/3 to Dare County</i> - in FY 2016, Dare County has earmarked their share of this 3% occupancy tax as follows- 25% for garbage, refuse, and solid waste collection and disposal; 25% for police protection; and 50% for emergency services.</p> <p><i>Additional 1% to the Dare County Tourism Board</i> - 3/4 must be used for the cost of administration and to promote tourism, and 1/4 used for services and programs needed due to the impact of tourism on the county.</p> <p><i>Remaining 2% to Dare County</i> - Used for beach nourishment.</p>	0.75%	1.25%	4%

North Carolina County/ Municipality	2020 Occupancy Tax Rate	Can Levy Up to ___%	Occupancy Tax Allocation	Allocation to Tourism Promotion	Allocation to Tourism-Related Expenditures	Allocation to Generally Non-Tourism Activities
Davidson	–					
Lexington	6%		<i>Lexington Tourism Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	2%	1%	
Thomasville	6%		<i>Thomasville Tourism Commission</i> - If the rate is 3%, then at least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures. If the rate exceeds 3%, then the proceeds-equivalent of a 3% tax- shall be used as stated above and the excess proceeds shall be used only to construct or maintain a visitors' center.	2%	4%	
Davie	3%		<i>County officials</i> - At least 1/2 must be deposited in a special account and used to promote travel & tourism and finance capital projects related to tourism (any tax proceeds in the special account not appropriated after 3 years are remitted to the general fund of Davie County and may be used for any lawful purpose); remainder used for any lawful purpose.	0% - 1.5%	0% - 1.5%	1.5%
Bermuda Run	3%		<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	2%	1%	
Cooleemee	0%	3%	<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.			
Mocksville	3%		<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	2%	1%	
Duplin	6%		<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	4%	2%	
Durham	6%		<i>First 3% distributed to Durham County (57.5%) and to the City of Durham (42.5%)</i> - May be used for any public purpose. <i>Remaining 3% to the Convention and Visitors Bureau</i> - First 2% used to promote travel, tourism, & conventions. Of the remaining 1%, first \$1.4 million to the City of Durham to finance debt service associated with the construction of the Performing Arts Theater; after 32 years the first \$1.4 million shall be used by the Bureau to promote travel & tourism. Next \$500,000 to Durham County for improvements to the Museum of Life and Science, which may include the financing of debt service. Any additional net proceeds will be used to promote travel, tourism, and conventions in Durham County.	2%	1%	3%
Edgecombe	6%		<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	4%	2%	

North Carolina County/ Municipality	2020 Occupancy Tax Rate	Can Levy Up to ___%	Occupancy Tax Allocation	Allocation to Tourism Promotion	Allocation to Tourism-Related Expenditures	Allocation to Generally Non-Tourism Activities
Forsyth	6%		<p><i>Of the first 3%:</i></p> <p>1) 5% divided among the municipalities other than Winston-Salem on a pro rata basis - Used only for economic development and cultural & recreational purposes.</p> <p>2) Remainder to the Tourism Development Authority - Used to further the development of travel, tourism, and conventions.</p> <p><i>Of the remaining 3%:</i></p> <p>1) 5% divided among the municipalities other than Winston-Salem on a pro rata basis - Used only for economic development and cultural & recreational purposes.</p> <p>2) 1/3 of the remaining proceeds to the Tourism Development Authority - Used to further the development of travel, tourism, and conventions.</p> <p>3) 10% of the remaining proceeds divided among municipalities other than Winston-Salem, in which taxable establishments are located, in proportion to the amount of tax proceeds collected in each municipality - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.</p> <p>4) Remainder divided between Winston-Salem and Forsyth County on a pro rata basis - Used only for economic development and cultural & recreational purposes.</p>	3.92%	2.08%	
Franklin	6%		Tourism Development Authority - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	4%	2%	
Gaston	3%		Board of Commissioners - Used for economic development to promote travel & tourism, including administrative expenses of the county's Travel and Tourism Office.	3%		
Belmont	3%		Tourism Development Authority - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	2%	1%	
Cramerton	0%	3%	Tourism Development Authority - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.			
Dallas	3%		Tourism Development Authority - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	2%	1%	
Gastonia	3%		Tourism Development Authority - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	2%	1%	
Lowell	0%	3%	Tourism Development Authority - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.			
McAdenville	0%	3%	Tourism Development Authority - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.			
Mount Holly	3%		Tourism Development Authority - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	2%	1%	
Ranlo	0%	3%	Tourism Development Authority - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.			
Gates	-					

North Carolina County/ Municipality	2020 Occupancy Tax Rate	Can Levy Up to ___%	Occupancy Tax Allocation	Allocation to Tourism Promotion	Allocation to Tourism-Related Expenditures	Allocation to Generally Non-Tourism Activities
Graham	3%		<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	2%	1%	
Fontana Dam	3%		<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	2%	1%	
Lake Santeetlah	3%		Town Council- At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	2%	1%	
Robbinsville	3%		<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	2%	1%	
Granville	6%		<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	4%	2%	
Greene	-					
Guilford	3%		<i>70% to the Greensboro/Guilford County Tourism Development Authority</i> - 4/5 used to promote travel & tourism activities/programs, and up to \$170,000 of the remaining 1/5 may be used for tourist-related events including grant programs; remainder used for tourism, conventions, and capital improvements.	2.45%	0.55%	
Greensboro	3%		<i>30% to the City of High Point</i> - 85% used to promote travel & tourism activities/programs, and 15% used for specific tourist-related events. <i>1) 1/5 to Greensboro/Guilford County Tourism Development Authority</i> - Used for activities and programs promoting and encouraging travel & tourism. <i>2) 4/5 to the City of Greensboro</i> - Used to finance the renovation and expansion of the Greensboro War Memorial Coliseum arena, the renovation and expansion of the remainder of the Greensboro War Memorial Complex and acquisition of property in the vicinity, and for the maintenance of the complex.	0.6%	2.4%	
High Point	3%		<i>City of High Point</i> - Used for furniture market promotion and visitor assistance. (Furniture market promotion and visitor assistance is defined as: activities and expenditures to promote the International Home Furnishings Market in the city and to assist visitors who attend it. The term may include advertising and other promotional activities, transportation and parking, housing facilitation, buyer registration, and administration of these activities.)	0% - 3%	0% - 3%	
Halifax	5%		<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	3.33%	1.66%	
Roanoke Rapids	1%		<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures. Net proceeds are remitted to the Halifax County TDA requiring it to hold funds in a separate account and administer separately.	0.66%	0.33%	
Harnett <i>(The tax is levied by Harnett County Board of Commissioners, but only within Averasboro Township)</i>	6%		<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	4%	2%	
Haywood	4%		<i>Tourism Development Authority</i> - Of the first 3%, at least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures. The remaining 1% is segregated into five separate accounts (Canton area, Clyde area, Lake Junaluska area, Maggie Valley area, and Waynesville area) based on the ZIP code of accommodations yielding the tax proceed, and at least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures in each of the collection areas.	2.66%	1.33%	

North Carolina County/ Municipality	2020 Occupancy Tax Rate	Can Levy Up to ____%	Occupancy Tax Allocation	Allocation to Tourism Promotion	Allocation to Tourism-Related Expenditures	Allocation to Generally Non-Tourism Activities
Henderson	5%	6%	<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	3.33%	1.66%	
Hertford	3%		<i>County Commissioners</i> - Used for any lawful purpose.			3%
Ahoskie	3%		<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	2%	1%	
Murfreesboro	3%		<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	2%	1%	
Hoke	–					
Hyde	3%		<i>County Commissioners</i> - Used for any public purpose. (The county shall spend 90% of the proceeds collected on the mainland only for the direct benefit of the mainland. The county shall spend 90% of the proceeds collected on Ocracoke only for the direct benefit of the island.)			3%
Ocracoke	2%		<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	2%	1%	
Iredell	0%	3%	<i>County Board of Commissioners</i> - Allocated to a special fund and used only for operation and maintenance of a civic center, for payment of interest or retiring principal on debt related to a civic center or for promotion of travel and tourism.			
Mooreville	4%		<i>Travel and Tourism Authority</i> - At least 3/4 used to promote travel & tourism; remainder used for tourism-related expenditures.	3%	1%	
Statesville	5%		<i>First 3% to the City of Statesville</i> - Used for construction, operation, and maintenance of a civic center, for payment of interest or retiring principal on debt related to a civic center, or for promotion of travel & tourism. <i>Of the remaining 2%:</i> 1) 1/2 to <i>Tourism Development Authority</i> - Used to promote travel & tourism. 2) 1/2 to the <i>City of Statesville</i> - Used for operation and maintenance of a civic center and for payment of interest or retiring principal on debt related to a civic center.	1% - 4%	1% - 4%	
Troutman	3%		<i>Tourism Development Authority</i> - At least 2/3 used to promote travel & tourism; remainder used for tourism-related expenditures.	2%	1%	
Jackson	4%	6%	<i>Tourism Development Authority</i> - At least 2/3 used to promote travel & tourism; remainder used for tourism-related expenditures.	3%	1%	
Johnston	3%		<i>Johnston County Tourism Authority</i> - Revenue is remitted to listed organizations in towns from which tax is collected. The revenue shall be used for: 1) direct advertising costs for visitor promotions, conventions, or tourism; 2) marketing & promotions expenses; 3) operating expenses for tourist-oriented events; 4) administrative expenses; 5) tourist-related capital projects; 6) other expenses that aid and encourage visitor promotions, conventions, or tourism; and 7) any additional administrative costs incurred by the county.	0% - 3%	0% - 3%	
Benson	2%		<i>Johnston County Tourism Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourist-related expenditures.	1.33%	0.66%	
Kenly	2%		<i>Johnston County Tourism Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourist-related expenditures.	1.33%	0.66%	

North Carolina County/ Municipality	2020 Occupancy Tax Rate	Can Levy Up to ___%	Occupancy Tax Allocation	Allocation to Tourism Promotion	Allocation to Tourism-Related Expenditures	Allocation to Generally Non-Tourism Activities
Selma	2%		<i>Johnston County Tourism Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourist-related expenditures.	1.33%	0.66%	
Smithfield	2%		<i>Johnston County Tourism Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourist-related expenditures.	1.33%	0.66%	
Jones	-					
Lee	3%		<i>Lee County</i> - Proceeds held in a capital reserve fund until a sufficient amount has accumulated to construct a Community Resource Center; proceeds shall then be used to construct and maintain the Center. Any excess over the amount needed for maintenance of the Center may be used by for any lawful purpose.			3%
Sanford	3%		Tourism Development Authority- At least 2/3 must be used to promote travel & tourism; remainder to be used for the operation, maintenance, promotion and renovation of the Dennis A. Wicker Civic Center. Any funds not spent or obligated to the Civic Center may be used by the authority for the promotion of travel and tourism.	2%	1%	
Lenoir	3%		<i>Tourism Development Authority</i> - Used only to further the development of travel, tourism, and conventions through advertising and promotion, to sponsor tourist-oriented events/activities, and to finance tourist-related capital projects.	0% - 3%	0% - 3%	
Kinston	3%		<i>Tourism Development Authority</i> - Used only to further the development of travel, tourism, and conventions through advertising and promotion, to sponsor tourist-oriented events/activities, and to finance tourist-related capital projects.	0% - 3%	0% - 3%	
Lincoln	3%		<i>Lincoln County</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	2%	1%	
Lincolnton	3%		<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	2%	1%	
Macon	3%		<i>Travel and Tourism Authority</i> - Used only to promote travel & tourism.	3%		
Franklin	3%		<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	2%	1%	
Madison	5%		<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	3.33%	1.66%	
Martin	6%		<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	4%	2%	
McDowell	5%		<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	3.33%	1.66%	
Mecklenburg	8%		<i>First 3% to the City of Charlotte</i> - Used for convention center facilities.	0% - 3%	5% - 8%	
(See appendix for full occupancy tax allocation.)	(Two separate occupancy taxes, 6% and 2%)		<i>Remaining 3% to be distributed to Cornelius, Davidson, Huntersville, Matthews, Mint Hill, and Pineville</i> - Used for visitor promotion and tourism-related expenditures.			
			<i>Additional 2% to the City of Charlotte</i> - Used 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.			

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Mitchell	3%		<i>Chamber of Commerce</i> - Used to promote travel & tourism, sponsor tourist-oriented events/activities, and to finance tourist-related capital projects.	0% - 3%	0% - 3%	
Montgomery	3%	6%	<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	2%	1%	
Moore	3%	6%*	<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures. * Currently pending approval of Board of County Commissioners	4%	2%	
Nash	5%		<i>First 3% to the Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures. <i>Remaining 2% to the City of Rocky Mount</i> - Used for tourism-related expenditures specifically approved in advance by the TDA.	2%	3%	
New Hanover (except Convention Center District)	3%		<i>3/5 to New Hanover County</i> - Used for beach nourishment. <i>2/5 to the Cape Fear Coast Convention and Visitors Bureau (set up as a TDA)</i> - Used to promote travel & tourism.	1.2%	1.8%	
New Hanover County District U (New Hanover County levies an additional occupancy tax in District U- a special taxing district containing the unincorporated areas of the county.)	3%		<i>Cape Fear Coast Convention and Visitors Bureau</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	2%	1%	
Wilmington	3%		<i>City of Wilmington Convention center account</i> - Used by the City of Wilmington for the construction, financing, operation, promotion, and maintenance of a public convention center.		3%	
Wilmington Convention Center District	3%		<i>City of Wilmington Convention center account</i> - Used by the City of Wilmington for the construction, financing, operation, promotion, and maintenance of a public convention center.		3%	
Carolina Beach, Kure Beach, and Wrightsville Beach (The county collects and administers the occupancy tax on behalf of the towns listed above.)	3% (in each town)		<i>Cape Fear Coast Convention and Visitors Bureau (set up as a TDA)</i> - In each individual beach community, at least 1/2 must be used to promote travel & tourism; remainder used for tourism-related expenditures that are designed to increase the use of lodging facilities, meeting facilities or convention facilities or to attract tourists or business travelers to the area and includes tourism-related expenditures as approved by the TDA Board of Directors.	1.5%	1.5%	
Northampton	6%		<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	4%	2%	
Onslow	3%		<i>Onslow County</i> - Proceeds deposited in the general fund and are used to further the development of travel, tourism, and conventions.	0% - 3%	0% - 3%	
Jacksonville	3%		<i>Tourism Development Authority</i> - At least 2/3 must be used for tourism-related expenditures; remainder used for tourism promotion.	1%	2%	
North Topsail Beach	3%		<i>North Topsail Beach</i> - Used for beach nourishment.		3%	
Swansboro	3%		<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	2%	1%	

North Carolina County/ Municipality	2020 Occupancy Tax Rate	Can Levy Up to ___%	Occupancy Tax Allocation	Allocation to Tourism Promotion	Allocation to Tourism-Related Expenditures	Allocation to Generally Non-Tourism Activities
Orange	3%		<i>Board of Commissioners</i> - The Board decides on the allocation of revenues annually during its budgeting process. At least 10% is used to provide funding for visitor information services and to support cultural events.	0% - 2.7%	0.3% - 3%	0% - 2.7%
Carrboro	3%		<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	2%	1%	
Chapel Hill	3%		<i>Town Council</i> - The Town Council decides on the allocation of revenues annually during its budgeting process. At least 10% is used to provide funding for visitor information services and to support cultural events.	0% - 2.7%	0.3% - 3%	0% - 2.7%
Hillsborough	3%		<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	2%	1%	
Pamlico	-					
Oriental	3%		<i>Board of Commissioners</i> - At least 1/4 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	0.75%	2.25%	
Pasquotank	6%		<i>Elizabeth City</i> - Pasquotank County Tourism Development Authority- Of the first 3%, 1/2 is used to promote travel & tourism, 1/4 is used for tourism-related expenditures recommended by the City of Elizabeth City Council, and 1/4 is used for tourism-related expenditures recommended by the Pasquotank County Board of Commissioners. Of the remaining 3%, at least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	3.5%	2.5%	
Elizabeth City	0%	6%				
<i>(The City of Elizabeth City Council may levy a room occupancy tax at a rate that does not exceed 6% when combined with the Pasquotank County occupancy tax rate.)</i>						
Pender	3%		<i>Proceeds from accommodations in Surf City to Surf City</i> - Used for beach nourishment.	0% - 3%	0% - 3%	
			<i>Proceeds from accommodations in Topsail Beach to Topsail Beach</i> - Used for beach nourishment.			
			<i>Remaining proceeds from accommodations in Pender County to Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.			
Burgaw	3%		<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	2%	1%	
Surf City	3%		<i>Surf City</i> - Used only for tourism-related expenditures- includes criminal justice system, fire protection, public facilities and utilities, health facilities, solid waste & sewage treatment, and the control/repair of water front erosion.		3%	
Topsail Beach	3%		<i>Topsail Beach</i> - Used only for tourism-related expenditures- includes criminal justice system, fire protection, public facilities and utilities, health facilities, solid waste & sewage treatment, and the control/repair of water front erosion.		3%	
Perquimans	6%		<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	4%	6%	
Person	6%		<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	4%	2%	

North Carolina County/ Municipality	2020 Occupancy Tax Rate	Can Levy Up to __%	Occupancy Tax Allocation	Allocation to Tourism Promotion	Allocation to Tourism-Related Expenditures	Allocation to Generally Non-Tourism Activities
Pitt	6%		<i>Convention and Visitors Authority</i> - Of the first 3%, at least 2/3 must be used to promote travel & tourism in Pitt County and the City of Greenville; remainder used for tourism-related expenditures. The remaining 3% is used to reimburse Pitt County and the City of Greenville for any funds they have advanced to purchase property for a convention center. After full reimbursement of the city and county, the money shall be used to finance, construct, maintain, operate, or market a convention center.	2%	4%	
Polk	3%		<i>Polk County</i> - Used only to promote travel & tourism.	3%		
Columbus	3%		<i>Town Council</i> - 1/2 is used to promote travel & tourism, and 1/2 is used for any public purpose.	1.5%		1.5%
Tryon	3%		<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	2%	1%	
Randolph	5%		<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	3.33%	1.66%	
Richmond	6%		<i>Tourism Development Authority</i> - 1/2 is used to promote travel & tourism, and 1/2 is used for tourism-related expenditures in the City of Rockingham that are mutually agreed upon by the county TDA and the Rockingham City Council.	3%	3%	
Robeson	-					
Lumberton	6%		<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	4%	2%	
Pembroke	3%		<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	2%	1%	
Rowland	2%	3%	<i>City officials</i> - Used for sponsoring tourist-oriented events, encouraging tourism through advertising and promotion, establishing a visitors' center, and other expenditures that directly enhance tourism; also includes the following type of expenditures- criminal justice system, fire protection, public facilities and utilities, health facilities, and solid waste & sewage treatment.	0% - 2%	0% - 2%	
St. Pauls	6%		<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	4%	2%	
Rockingham	3%	4%	<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	2%	1%	
Eden	2%		<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	1.33%	0.66%	
Reidsville	2%		<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	1.33%	0.66%	
Rowan	6%		<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	4%	2%	
Rutherford	6%		<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	4%	2%	
Sampson	6%		<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	4%	2%	
Scotland	6%		<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	4%	2%	

North Carolina County/ Municipality	2020 Occupancy Tax Rate	Can Levy Up to ___%	Occupancy Tax Allocation	Allocation to Tourism Promotion	Allocation to Tourism-Related Expenditures	Allocation to Generally Non-Tourism Activities
Stanly	6%		<p>5/6 of proceeds from accommodations in the City of Albemarle to the City of Albemarle - 2/5 of that is then remitted to the Stanly County Tourism Development Authority for promoting travel & tourism, and 3/5 is used for tourism-related expenditures.</p> <p>Proceeds from accommodations in each municipality (other than Albemarle) to that municipality - Each municipality remits to the Stanly County Tourism Development Authority each year the greater of \$1.00 per capita of the municipality's population or 1/2 of the amount remitted to the municipality for promoting travel & tourism; remainder used for tourism-related expenditures in the county.</p> <p>The greater of \$25,000 a year or 1/2 of the remaining proceeds of the occupancy tax to the Tourism Development Authority - Used to promote travel & tourism.</p> <p>Remaining proceeds to Stanly County - Used for tourism-related expenditures.</p>	Approx. 3%	Approx. 3%	
Stokes	-					
Surry	6%		Tourism Development Authority - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	4%	2%	
(Surry County only levies an occupancy tax in District S - a special taxing district containing the unincorporated areas of the county.)						
Dobson	6%		Tourism Development Authority - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	4%	2%	
Elkin	6%		Tourism Development Authority - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	4%	2%	
Mount Airy	6%		Tourism Development Authority - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	4%	2%	
Pilot Mountain	6%		Tourism Development Authority - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	4%	2%	
Swain	4%		Tourism Development Authority - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	2.66%	1.33%	
Transylvania	5%	6%	Tourism Development Authority - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	3.33%	1.66%	
Tyrrell	6%		Tourism Development Authority - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	4%	2%	
Union	-					
Monroe	5%		Tourism Development Authority - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	3.33%	1.66%	
Vance	6%		Tourism Development Authority - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	4%	2%	

North Carolina County/ Municipality	2020 Occupancy Tax Rate	Can Levy Up to ___%	Occupancy Tax Allocation	Allocation to Tourism Promotion	Allocation to Tourism-Related Expenditures	Allocation to Generally Non-Tourism Activities
Wake <i>(See appendix for full tax occupancy allocation.)</i>	6%		<i>Of the first \$3,815,000:</i> 1) 45.25% to the City of Raleigh - First \$680,000 used for tourism-related expenditures; remaining proceeds used for the Raleigh Civic Center Complex or similar facilities, and the construction of sports, cultural, and arts facilities. 2) 5% of the remaining proceeds to the Town of Cary - Used for public relations and promotional activities and for visitor-related programs and activities. 3) 34.75% of the remaining proceeds to Wake County - Used only for the Raleigh Civic Center Complex or similar facilities or for construction of sports, cultural, and arts facilities. 4) 15% of the remaining proceeds to the Greater Raleigh Convention and Visitor Bureau - Used to promote travel, tourism, and conventions. <i>Proceeds in excess of \$3,815,000 distributed to the City of Raleigh, Town of Cary, Raleigh Regional Convention and Visitor Bureau, and Wake County - Used for the purposes noted above and capital projects.</i>	Approx. 2%	Approx. 4%	
Warren	–					
Washington	6%		Tourism Development Authority - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	4%	2%	
Watauga <i>(Watauga County only levies an occupancy tax in Watauga County District U - a special taxing district containing the unincorporated areas of the county.)</i>	6%		Tourism Development Authority - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	4%	2%	
Beech Mountain <i>(Only up to 3% if District W is levying an occupancy tax)</i>	6%		Tourism Development Authority - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	4%	2%	
Beech Mountain District W <i>(In addition to the current town occupancy tax; a special taxing district containing that part of the Town of Beech Mountain located in Watauga County.)</i>	0%	3%	Tourism Development Authority - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.			
Blowing Rock	6%		Tourism Development Authority - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	4%	2%	
Boone	6%		Tourism Development Authority - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	4%	2%	
Seven Devils	6%		Tourism Development Authority - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	4%	2%	

North Carolina County/ Municipality	2020 Occupancy Tax Rate	Can Levy Up to ___%	Occupancy Tax Allocation	Allocation to Tourism Promotion	Allocation to Tourism-Related Expenditures	Allocation to Generally Non-Tourism Activities
Wayne Goldsboro <i>(Currently, the remainder of the occupancy tax proceeds is being used in accordance with option 2.)</i>	1% 5%		<i>Tourism Development Authority</i> - All funds used to promote travel and tourism. <i>No more than 1/5 to the Tourism Council</i> - Used to develop tourism, support services, and tourist-related events, and for any other appropriate activities to provide tourism-related facilities and attractions. <i>Remainder to the citizens' advisory committee</i> - Used for a study of the feasibility of the construction of a civic center. 1) <i>If civic center feasible, remainder to the City of Goldsboro</i> - Used for improving, leasing, constructing, financing, operating, or acquiring facilities and properties as needed to provide for a civic center facility. 2) <i>If civic center not feasible at present, up to 1/2 to the Tourism Council</i> - Used to develop tourism, support services, and tourist-related events, and for any other appropriate activities to provide tourism-related facilities and attractions. <i>Remainder to the City of Goldsboro</i> - Invested in a special interest bearing fund and held for improving, leasing, constructing, financing, operating, or acquiring facilities and properties, either by the city or in conjunction with other governmental, educational, or nonprofit entities. 3) <i>If civic center not feasible, remainder to the Tourism Council</i> - Used to develop tourism, support services, and tourist-related events, and for any other appropriate activities to provide tourism-related facilities and attractions.	1% 0% - 3%	2% - 5%	
Wilkes Wilkesboro	- 3%		<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	2%	1%	
Wilson	6%		<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	4%	2%	
Yadkin <i>(Yadkin County only levies an occupancy tax in District Y- a special taxing district outside the Town of Jonesville and the Town of Yadkinville.)</i> Jonesville Yadkinville	6% 6% 6%		<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures. <i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures. <i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	4% 4% 4%	2% 2% 2%	
Yancey	3%		<i>Chamber of Commerce (through its Tourism and Travel Development Committee)</i> - Used only for: 1) Direct advertising for visitor promotions, conventions, travel, and tourism, including outdoor advertising, print media, broadcast media, and brochures; 2) Marketing and promotions expenses, including test market programs, consultant fees, entertainment, housing expenses, travel expenses, and registration fees; and 3) Other expenses that aid and encourage visitor promotions, conventions, travel, and tourism.	3%		

NOTES:		APPENDIX:
<p>(%) - A percentage inside closed parentheses indicates an entity's legally enabled occupancy tax rate above what is currently collected</p> <p>County and municipality population data are 2014 estimates from the United States Census Bureau.</p> <p><i>Promote travel and tourism</i> is defined as: 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 these activities.</p>	<p>Mecklenburg County</p> <p>Full occupancy tax allocation</p>	<p><i>First 3% to the City of Charlotte</i> - Used for convention center facilities, applied in accordance with the following priorities (in order):</p> <p>1) To provide for when due payments for the current fiscal year with respect to any financing for new convention center facilities or for the expansion of existing convention center facilities, which may include off-street parking for use in conjunction with the facilities.</p> <p>2) To pay costs incurred in an amount equal to the sum of \$1,500,000 plus the total current fiscal year distributions to the Mecklenburg towns in each fiscal year for marketing and promoting new or expanded convention center facilities and for activities and programs aiding and encouraging convention and visitor promotion.</p> <p>3) To pay other costs of acquiring, constructing, maintaining, operating, marketing, and promoting new or expanded convention center facilities and of activities and programs aiding and encouraging convention and visitor promotion.</p> <p>Of the remaining 3%:</p> <p>1) 120% of the remaining proceeds collected in each municipality other than Charlotte to the respective municipality; Used for acquiring, constructing, financing, maintaining, operating, marketing, and promoting convention centers, civic centers, performing arts centers, coliseums, auditoriums, and museums, for off-street parking for use in conjunction with these facilities, and for tourism and tourism-related programs and activities including art and cultural programs, events, and festivals.</p>
<p><u>Tourism-related expenditures</u> are defined as : Expenditures that, in the judgment of the Tourism Development Authority, are designed to increase the use of lodging facilities, meeting facilities, and convention facilities in a county by attracting tourists or business travelers to the city/county. The term includes tourism-related capital expenditures.</p> <p><u>Beach Nourishment</u> is defined as: The placement of sand, from other sand sources, on a beach or dune by mechanical means and other associated activities that are in conformity with the North Carolina Coastal Management Program along the North Carolina shorelines and connecting inlets for the purpose of widening the beach to benefit public recreational use and mitigating damage and erosion from storms to inland property. The term includes expenditures for the following:</p>	<p>Mecklenburg County</p> <p>Full occupancy tax allocation <i>continued</i></p>	<p>2) At least 50% of the first \$1,000,000 in each fiscal year, at least 35% of the second \$1,000,000 in each fiscal year, and at least 25% of the amount in excess of \$2,000,000 in each fiscal year shall be transferred to the City of Charlotte. Distributed to each Mecklenburg town--an amount equal to the greater of (i) 1/2 of the county prepared food and beverage tax net proceeds that were collected in that town during the preceding fiscal year, and (ii) an amount agreed to by interlocal agreement between the Mecklenburg town and the City of Charlotte. Used for acquiring, constructing, financing, maintaining, operating, marketing, and promoting convention centers, civic centers, performing arts centers, coliseums, auditoriums, and museums, for off-street parking for use in conjunction with these facilities, and for tourism and tourism-related programs and activities including art and cultural programs, events, and festivals. (The Towns of Cornelius, Davidson, and Huntersville are required to distribute to the Lake Norman CVB 28% of their occupancy tax.)</p> <p>3) Remainder distributed between Charlotte and Mecklenburg County- Used for acquiring, constructing, financing, maintaining, operating, marketing, and promoting convention centers, civic centers, performing arts centers, coliseums, auditoriums, museums, for off-street parking for use in conjunction with these facilities, and for tourism and tourism-related programs and activities including art and cultural programs, events, and festivals.</p> <p>Additional 2% to the City of Charlotte- Used only for the acquisition, construction, repair, maintenance, and financing of a NASCAR Hall of Fame Museum facility and an ancillary and adjacent NASCAR/convention</p>

<p>a. Costs directly associated with qualifying for projects either contracted through the U.S. Army Corps of Engineers or otherwise permitted by all appropriate federal and State agencies;</p> <p>b. The nonfederal share of the cost required to construct these projects;</p> <p>c. The costs associated with providing enhanced public beach access; and</p> <p>d. The costs of associated nonhardening activities such as the planting of vegetation, the building of dunes, and the placement of sand fences.</p>	<p>Wake County Full occupancy tax allocation</p>	<p>Of the first \$3,815,000: (Before making the following distributions, the Board of Commissioners may, in its discretion, deduct from the proceeds of the tax the sum of \$100,000 in each fiscal year and remit the sum to Wake Technical Community College. The college must use funds remitted to it only to support its ongoing program of training individuals in hotel and motel management and in food service.)</p> <p>1) 45.25% to the City of Raleigh- First \$680,000 used to fund the acquisition, construction, financing, debt servicing, maintenance, or operation of convention centers, civic centers, performing arts centers, coliseums, auditoriums, and museums, to provide off-street parking facilities for use in conjunction with such facilities, and to fund visitor-related programs and activities. Remaining proceeds are used for the acquisition, construction, renovation, financing, debt service, maintenance, and operation of expansions and additions to the Raleigh Civic Center Complex or similar facilities, and the construction of sports, cultural, and arts facilities.</p> <p>2) 5% of the remaining proceeds to the Town of Cary- Used for public relations and promotional activities and for visitor-related programs and activities, including cultural programs, events, festivals, and other visitor-related programs.</p> <p>3) 34.75% of the remaining proceeds to Wake County- Used only for the Raleigh Civic Center Complex or similar facilities or for construction of sports, cultural, and arts facilities.</p> <p>4) 15% of the remaining proceeds to the Greater Raleigh Convention and Visitor Bureau- Used to promote travel, tourism, and conventions.</p>
	<p>Wake County Full occupancy tax allocation <i>continued</i></p>	<p>Proceeds in excess of \$3,815,000 but less than \$4,000,001: 1) 95% to the City of Raleigh- Used for the purposes noted above. 2) 5% to the Town of Cary- Used for the purposes noted above.</p> <p>Proceeds above \$4,000,000 and up to \$4,500,000: 1) 25% to the Raleigh Regional Convention and Visitor Bureau- (Does not specify how the Bureau will use the funds.) 2) 5% to the Town of Cary- At least 1/2 used for capital projects; remainder used for the purposes noted above. 3) 47.5% to the City of Raleigh- Used for the purposes noted above. 4) 22.5% to Wake County- Used for any use related to any of the purposes for which any local government is authorized to expend tax proceeds.</p> <p>Proceeds above \$4,500,000: 1) 25% to the Raleigh Regional Convention and Visitor Bureau- (Does not specify how the Bureau will use the funds.) 2) 5% to the Town of Cary- At least 1/2 used for capital projects, remainder used for the purposes noted above.</p> <p>3) 35% to the City of Raleigh- Used for any lawful purpose mentioned in any of the above. 4) 35% to Wake County- Used for any lawful purpose mentioned in any of the above.</p>