

## **ARTICLE II. LODGING SALES TAX**

### **SECTION 7-20. LEVY**

There is hereby imposed and levied within the county the four (4) percent room occupancy tax with the four (4) percent being calculated on the gross receipts derived from the rental of any room, lodging, or similar accommodation furnished by hotel, motel, inn, or similar place within the county that is subject to the sales tax imposed by the state under G.S. 105-164.4(3). This tax is in addition to any state or local sales tax. This tax does not apply to accommodations furnished by nonprofit, charitable, educational or religious organizations.

### **SECTION 7-21. COLLECTION**

Every operator of a business subject to a room occupancy tax shall, on and after the effective date of the levy of the tax, collect the tax. The tax shall be collected as part of the charge for furnishing a taxable accommodation. The tax shall be stated and charged separately from the sales records and shall be paid by the purchaser to the operator of the business as trustee for and on account of the taxing county. The tax shall be added to the sales price and shall be passed on to the purchaser instead of being borne by the operator of the business. The taxing county shall design, print, 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. An operator of a business 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 operator for state sales and use tax.

### **SECTION 7-22. DUE DATE**

The room occupancy tax is due and payable to the county finance office in monthly installments on or before the 20<sup>th</sup> 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 20<sup>th</sup> day of each month, prepare and render a return on a form prescribed by the 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 office 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.

### **SECTION 7-23. VIOLATIONS**

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 board of commissioners may, for good cause shown, compromise or waive the penalties imposed by this section.

#### **SECTION 7-24. USE OF TAX REVENUE**

The county shall designate all revenue collected from the tax levied under this article in a special “travel and tourism” fund. The county can charge a percentage of room occupancy tax for collection and administration. Revenue in this fund may be used only to promote travel and tourism in the county.

#### **SECTION 7-25. REPEAL OR REDUCTION**

The room tax levied under this article may be repealed or reduced by a resolution adopted by the board of commissioners. 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 the 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 room tax that accrued before the effective date of the repeal or reduction.