

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2021**

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**HOUSE BILL 412  
Committee Substitute Favorable 4/27/21**

Short Title: Maggie Valley Occupancy Tax. (Local)

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Sponsors:

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Referred to:

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March 29, 2021

1 A BILL TO BE ENTITLED  
2 AN ACT TO AUTHORIZE THE TOWN OF MAGGIE VALLEY TO LEVY AN  
3 OCCUPANCY TAX.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** Occupancy Tax. – (a) Authorization and Scope. – The Town of Maggie  
6 Valley Board of Aldermen may levy a room occupancy tax of up to two percent (2%) of the gross  
7 receipts derived from the rental of any room, lodging, or accommodation furnished by a hotel,  
8 motel, inn, tourist camp, or similar place within the town that is subject to sales tax imposed by  
9 the State under G.S. 105-164.4(a)(3). This tax is in addition to any State or local sales tax.

10 **SECTION 1.(b)** Administration. – A tax levied under this section shall be levied,  
11 administered, collected, and repealed as provided in G.S. 160A-215. The penalties provided in  
12 G.S. 160A-215 apply to a tax levied under this section.

13 **SECTION 1.(c)** Distribution and Use of Tax Revenue. – Maggie Valley shall, on a  
14 quarterly basis, remit the net proceeds of the occupancy tax to the Maggie Valley Tourism  
15 Development Authority. The Authority shall use at least two-thirds of the funds remitted to it  
16 under this subsection to promote travel and tourism in Maggie Valley and shall use the remainder  
17 for tourism-related expenditures.

18 The following definitions apply in this subsection:

- 19 (1) Net proceeds. – Gross proceeds less the cost to the town of administering and  
20 collecting the tax, as determined by the finance officer, not to exceed three  
21 percent (3%) of the first five hundred thousand dollars (\$500,000) of gross  
22 proceeds collected each year and one percent (1%) of the remaining gross  
23 receipts collected each year.
- 24 (2) Promote travel and tourism. – To advertise or market an area or activity,  
25 publish and distribute pamphlets and other materials, conduct market research,  
26 or engage in similar promotional activities that attract tourists or business  
27 travelers to the area. The term includes administrative expenses incurred in  
28 engaging in the listed activities.
- 29 (3) Tourism-related expenditures. – Expenditures that, in the judgment of the  
30 Tourism Development Authority, are designed to increase the use of lodging  
31 facilities, meeting facilities, or convention facilities in a town or to attract  
32 tourists or business travelers to the town. The term includes tourism-related  
33 capital expenditures.

34 **SECTION 2.** Maggie Valley Tourism Development Authority. – (a) Appointment  
35 and Membership. – When the Town of Maggie Valley Board of Aldermen adopts a resolution  
36 levying a room occupancy tax under this act, it shall also adopt a resolution creating a town



1 Tourism Development Authority, which shall be a public authority under the Local Government  
2 Budget and Fiscal Control Act. The resolution shall provide for the membership of the Authority,  
3 including the members' terms of office, and for the filling of vacancies on the Authority. At least  
4 one-third of the members must be individuals who are affiliated with businesses that collect the  
5 tax in the town, and at least one-half of the members must be individuals who are currently active  
6 in the promotion of travel and tourism in the town. The board of aldermen shall designate one  
7 member of the Authority as chair and shall determine the compensation, if any, to be paid to  
8 members of the Authority.

9 The Authority shall meet at the call of the chair and shall adopt rules of procedure to  
10 govern its meetings. The Finance Officer for Maggie Valley shall be the ex officio finance officer  
11 of the Authority.

12 **SECTION 2.(b) Duties.** – The Authority shall expend the net proceeds of the tax  
13 levied under this act for the purposes provided in this act. The Authority shall promote travel,  
14 tourism, and conventions in the town; sponsor tourist-related events and activities in the town;  
15 and finance tourist-related capital projects in the town.

16 **SECTION 2.(c) Reports.** – The Authority shall report quarterly and at the close of  
17 the fiscal year to the Town of Maggie Valley Board of Aldermen on its receipts and expenditures  
18 for the preceding quarter and for the year in such detail as the board of aldermen may require.

19 **SECTION 3.** G.S. 160A-215(g) reads as rewritten:

20 "(g) Applicability. – Subsection (c) of this section applies to all cities that levy an  
21 occupancy tax. To the extent subsection (c) conflicts with any provision of a local act, subsection  
22 (c) supersedes that provision. The remainder of this section applies only to Beech Mountain  
23 District W, to the Cities of Belmont, Conover, Eden, Elizabeth City, Gastonia, Goldsboro,  
24 Greensboro, Hickory, High Point, Jacksonville, Kings Mountain, Lake Santeetlah, Lenoir,  
25 Lexington, Lincolnton, Lowell, Lumberton, Monroe, Mount Airy, Mount Holly, Reidsville,  
26 Roanoke Rapids, Salisbury, Sanford, Shelby, Statesville, Washington, and Wilmington, to the  
27 Towns of Ahoskie, Beech Mountain, Benson, Bermuda Run, Blowing Rock, Boiling Springs,  
28 Boone, Burgaw, Carolina Beach, Carrboro, Cooleemee, Cramerton, Dallas, Dobson, Elkin,  
29 Fontana Dam, Franklin, Grover, Hillsborough, Jonesville, Kenly, Kure Beach, Leland, Maggie  
30 Valley, McAdenville, Mocksville, Mooresville, Murfreesboro, North Topsail Beach, Pembroke,  
31 Pilot Mountain, Ranlo, Robbinsville, Selma, Smithfield, St. Pauls, Swansboro, Troutman, Tryon,  
32 West Jefferson, Wilkesboro, Wrightsville Beach, Yadkinville, Yanceyville, to the municipalities  
33 in Avery and Brunswick Counties, and to Saluda District D."

34 **SECTION 4.** This act is effective when it becomes law.