

Bertie County
January 22, 2024 Board of Commissioners Work Session Notes
Meeting with Chris Cavanaugh Magellan Strategy Group
For Questions please call Robin Payne 252-588-2318

Occupancy Tax or Vacationers Tax

- **What it is:**

Beginning in 1983, NC General Assembly enacted a local lodging occupancy or vacationers tax as a means of growing the visitor economy. These taxes (up to 6%) are paid by lodging guests on the cost of their accommodations and have generated billions of dollars in direct tax revenue that is specifically used locally. Tourism is the backbone of the economy in many North Carolina communities, employing thousands of people, support numerous entrepreneurs, and generating revenue for small and large businesses.

The concept of the occupancy tax is relatively straightforward: guests pay a small additional amount as a percentage of their nightly accommodations rate, and that tax is then remitted monthly by the lodging owner to their local government who then sets it aside for use by the local Tourism Development Authority (TDA).

No occupancy tax revenue is directed to state government in North Carolina—100% of the revenue remains at the local level. Occupancy taxes are typically applied to any lodging property including hotels, bed and breakfasts, cabins, condominiums, and rental homes for short-term stays (including Airbnb, HomeAway, and VRBO in North Carolina). The tax is *usually* not applied to religious conference centers, colleges, campgrounds, youth camps, and RV parks.

- **Why is Bertie considering this:**

Bertie relies primarily on an agriculture and industry economy. To create more businesses, jobs, and career opportunities, the County wants to responsibly promote its best assets – the natural area, culture, history, and outdoor activities. These assets are what drive Travel & Tourism economies. So in 2021, County Commissioners voted to leverage Travel and Tourism as an important economic development segment for Bertie's future, and revenue from an Occupancy Tax is used to promote this Travel and Tourism economy.

- **Guidelines for spending Occupancy Tax revenue:**

At least two-thirds of the proceeds must be used to (1) promote travel and tourism and the remainder for (2) tourism-related expenditures.

1. Promote Travel & Tourism 2/3: 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.
2. Tourism-related Expenditure 1/3: 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 attracting tourists or business travelers to the city/ county. The term includes tourism-related capital expenditures.

- **How is it collected:**

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 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.

- **Administration:**

The taxing county shall administer the room occupancy tax it levies.

- **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.

- **Who spends the Occ Tax revenue:**

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.

- **Proposed Timeline:**

- March 2024 - Distribute information to the public and businesses.
Be available for questions.
- April 8, 2024 – Public Hearing
- April 8, 2024 – Vote, Resolution proposed with a date of July 1, 2024 to start.

A room occupancy tax may be levied only by resolution when voted on and adopted by the County, 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.

2023 Profile of North Carolina Occupancy Taxes & Their Investment

April 2023



April 2023

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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
- 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 twenty-eight years of experience in the travel and tourism sector in North Carolina and elsewhere. He has been the recipient of the North Carolina Travel Industry Association Tourism Excellence Award, the Southeast Tourism Society’s Shining Example Award, and inducted into Visit North Carolina’s Winners Circle. He is a former executive at The Biltmore Company in Asheville and served as interim CEO for the Explore Asheville CVB in 2020.

Overview

Beginning in 1983, local lodging 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 lodging guests on the cost of their accommodations have generated billions of dollars in direct tax revenue, and many billions more in visitor spending, sales and property taxes, and direct and indirect economic impact. Tourism is a 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 nightly accommodations rate, and that tax is then remitted monthly by the lodging owner to their local government. 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 very few instances in North Carolina, collection and use of occupancy tax revenue is administered directly by county commissioners or municipal council members.

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

Below are several 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 lodging 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 local North Carolina occupancy tax legislation is unique. With the adoption of guidelines by the state House of Representatives in 1997, however, there are now many similarities in the legislation passed in the last two-plus decades.
- In North Carolina, consumers always pay sales tax on the cost of their accommodation in addition to the occupancy tax. The sales taxes generated by accommodations amount to many millions of additional dollars annually, all of which goes to state and local government. Occupancy taxes are also different from prepared meals taxes, 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 and invested 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 lodging property is physically located may have their own individual occupancy tax in addition to the county tax.
- Only one community in North Carolina has a total occupancy tax that 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 to establish standards for such legislation. (A current 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 destination 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 one hundred (100) counties in the state, eighty-four (84) have an active countywide tax on accommodations or are legislatively enabled to collect within their boundaries. Nine (9) other counties have no occupancy tax levied at either the county or municipal level, while another seven (7) counties have only a city or town that levies a tax. There are ninety-eight (98) cities and towns in the state which are legislatively enabled to collect an occupancy tax, sometimes in addition to a countywide tax.

According to the Local Government Division of the Department of Revenue, \$285 million in occupancy taxes was collected at the local level in fiscal 2021 (the most recent year for which data is available from the state). The current data available from the Department of Revenue showing collections by county or municipality is attached to this report as an appendix. The Department of Revenue typically does not update this data until at least a year after the end of the most recent fiscal year.



Total Counties in North Carolina	100
Counties in North Carolina <i>legislatively enabled</i> to collect occupancy taxes, and which actively collect the tax	83
Counties <i>legislatively enabled</i> to collect occupancy taxes, but which do not currently collect at the county level	1
Counties without <i>any</i> occupancy tax legislation in place, at either the county or municipal level	9
Counties without <i>any</i> countywide tax legislation, but with at least one city or town legislatively enabled to collect occupancy taxes	7
Total Cities and Towns in North Carolina	552
Cities and towns in North Carolina <i>legislatively enabled</i> to collect occupancy taxes, and which actively collect the tax	85
Cities and towns <i>legislatively enabled</i> to collect occupancy taxes, but which do not currently collect at the municipal level	13

There are a combined 168 counties and cities or towns in North Carolina which actively levy an occupancy tax of at least 1%. (There are also four (4) specially legislated districts within communities that already collect a tax: Beech Mountain District W and Seven Devils District W for the parts of those towns located in Watauga County, New Hanover County District U for the unincorporated parts of that county, and downtown Wilmington’s Convention Center District.) As noted, there are some counties that have a countywide occupancy tax, but which also have towns or cities levying an additional room tax. There are currently thirty (30) counties where the county and at least one city or town both levy separate occupancy taxes on accommodations.

There are also some communities legislatively enabled to raise their taxes beyond the current rate (or to begin collecting their occupancy tax) upon approval at the local level by a county commission or city or town council. No combination of county and municipal occupancy taxes can exceed 6%, with the exception of Mecklenburg County.

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 spend money during their stays—restaurants, shops, attractions—pay millions of dollars in additional sales taxes. These same tourism businesses also pay property taxes that would otherwise not be generated if they did not exist to serve residents and visitors. The local revenue impact of visitors thus goes far beyond the occupancy tax paid by overnight guests.

Where Does the Money Go?

The *investment* of occupancy tax revenue is sometimes more of a differentiating factor between communities in North Carolina than the tax rate charged to guests. That is not to say that rates are not comparable from destination to destination (and may occasionally be a factor in some destination selections, especially for some meeting and convention planners comparing North Carolina destinations to those in other states). But the rate is usually less important than how tax revenue is invested at the local level. For example, a 3% occupancy tax in one community that is invested entirely in destination promotion may not be directly comparable to the same 3% tax in another community where 2% is invested in destination promotion and 1% is allocated to tourism-related product development.

This analysis looks only at the legislatively enabled intended uses of occupancy taxes—the actual investment of occupancy taxes in a community may indeed vary from both the spirit and, in some cases, even the letter of the law. But generally, the investment of North Carolina occupancy tax revenue at the local level falls into one of five categories:

- Destination promotion
- "Tourism-related" expenditures, which includes everything from festivals and event expenses to capital projects ("tourism-related" is a term that usually appears in the specific legislation)
- Debt service or operating support for tourism-related capital projects such as convention centers and arenas or visitor attractions
- Beach nourishment
- General fund revenue and other specifically non-tourism uses

There are 154 counties and cities/towns actively collecting an occupancy tax of at least 1% that are mandated to dedicate some or all their tax revenue to destination promotion. There are 153 counties and cities and towns that dedicate some of their tax revenue to various types of “tourism-related” expenditures.

Many North Carolina coastal destinations are heavily dependent upon their beaches for visitation, so beach nourishment may be a priority for investment of their 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 to grow their visitor economy. Others have invested the tax revenue in support of a variety of product development or destination enhancement 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 such as county government 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 adopted by the state House of Representatives in 1997. In nearly every county and city/town in North Carolina, at least a portion of those tax dollars must be invested in destination promotion and/or “tourism-related” expenditures by a TDA. The unique local legislation dictates generally how those tax dollars must be invested.

In some cases, such as designated funding for convention centers or sports facilities, the legislation may be highly specific about investment in those particular uses. In others, the language of “tourism-related” expenditures may be sufficiently vague to allow for revenue to be invested in projects or initiatives that may not necessarily attract visitors. The interpretation of “tourism-related” expenditures may depend upon the specific needs of the local visitor economy, but the term can be (and has been) interpreted in different ways.

Uses of Occupancy Tax Funding

Of the eighty-four (84) North Carolina counties legislatively enabled to collect an occupancy tax, 54 (64%) have legislation that mandates that at least two-thirds of revenue must be invested in destination promotion. Another nineteen (19) counties have legislation that specifies an amount to be invested in promotion that is less than two-thirds of collected revenue. Seven (7) counties have legislation that says the revenue may be invested in promotion but does not mandate a percentage to invest. Four (4) counties have legislation that does not specifically define destination promotion as a mandated investment.

Mandated Legislative Investment	Number of Counties *	Number of Municipalities*	Number of Special Districts*
Specifies at least 2/3 of revenue invested in destination promotion	54	71	3
Specifies an amount to be invested in promotion that is less than 2/3 of collected revenue	19	13	0
Revenue may be invested in promotion, but does not mandate a percentage to invest	7	5	1
Does not specifically define destination promotion as a mandated investment	4	9	0
Total	84	98	4

*Legislatively enabled - may or may not be actively collecting occupancy tax.

Of the ninety-eight (98) cities and towns in North Carolina that are authorized to collect the tax, 71 (72%) have legislation mandating at least two-thirds of revenue must be spent on destination promotion. Thirteen (13) cities and towns have legislation specifying an amount less than two-thirds of collected revenue to promotion, while another five (5) have legislation that allows for promotion but does not specify any percentage. Nine (9) cities and towns have legislation that does not specifically define destination promotion as a mandated investment. (It should be noted that counties and cities/towns which do not have occupancy tax legislation that mandates investment in destination promotion may still decide to invest those dollars in promotion.)

Most of the counties and municipalities that have legislation mandating less than two-thirds of tax revenue be invested in destination promotion are governed by laws that were passed prior to the adoption of the 1997 House occupancy tax guidelines or are governed by more recent legislation that still has roots in laws passed prior to the adoption of those guidelines.

There are only seven (7) counties in North Carolina which direct some or all of their occupancy tax revenue into the general fund to be expended on any unspecified “lawful public purpose,” as mandated by their legislation: Ashe, Cleveland, Davie, Durham, Hertford, Hyde, and Lee. (This is distinct from occupancy tax revenue dedicated to the construction and operation of civic centers, convention facilities, arenas, and other traditional “tourism-related” venues which may be owned and operated by a city or county government.) There are also two (2) towns that collect 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 legislation also has language which provides for the funding via occupancy tax of initiatives to promote “economic and industrial growth in the county.”

The language in Orange County’s and Chapel Hill’s occupancy tax legislation is 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 large increases in its transient visitor population during the summer season, has legislation (predating the guidelines) 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 (which have a relatively small number of permanent year-round residents), their individual occupancy tax legislation states that "tourism-related" expenditures include the criminal justice system, fire protection, public facilities and utilities, health facilities, solid waste and sewage treatment control, and repair of waterfront erosion. These 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. These guidelines direct that any new occupancy tax legislation should be written to mandate at least two-thirds of occupancy tax revenue must be invested in destination promotion, and no more than one-third of the revenue invested in "tourism-related expenditures."

There are thirty (30) counties that have legislation that does not allocate at least two-thirds of revenue to destination promotion. Nineteen (19) of those thirty (30) counties have legislation mandating a percentage that is less than two-thirds of revenue that must be directed to destination promotion. These are typically communities with investments in arenas, sports complexes, or convention and civic centers, or where tax is used for beach nourishment in coastal counties. About half of these counties have legislation predating the 1997 guidelines.

Seven (7) counties that allow for destination marketing but which do not have a specific mandated percentage for promotion all have legislation predating the 1997 guidelines. There are four (4) counties that mandate no dollars for promotion and direct their revenue elsewhere all have legislation predating the 1997 guidelines.

There are twenty-seven (27) municipalities that have legislation that does not allocate at least two-thirds of revenue to destination promotion. Thirteen (13) of those twenty-seven (27) municipalities have legislation mandating a percentage that is less than two-thirds of revenue that must be directed to destination promotion. These are also typically communities with investments in arenas, sports complexes, or convention and civic centers. Some have legislation that predates the 1997 guidelines.

Five (5) municipalities that allow for destination marketing but which do not have a specific mandated percentage for promotion all have legislation predating the 1997 guidelines except Wilmington and the Wilmington Convention Center District. And the nine (9) municipalities that mandate no dollars for promotion are almost all coastal communities, with funds allocated instead to a wide variety of uses including beach nourishment.

A total of twenty-six (26) occupancy tax bills have been passed since 1997 that do not specifically mandate at least two-thirds of revenue be invested in destination promotion. In some cases, they include a sunset provision that reverts the allocation at a future date. The biggest difference versus the non-compliant bills passed prior to 1997 is that most of the newer legislation allocates any non-promotional revenue specifically to one of three areas spelled out in the legislation: beach nourishment, civic and convention centers or similar venues, and “tourism-related expenditures.” (Note that some non-compliant bills signed into law since 1997 were updates of prior non-compliant legislation.)

2023 NORTH CAROLINA OCCUPANCY TAX STATISTICS

Counties, Cities, and Towns Currently Levying Occupancy Tax

NC Entities Levying Occupancy Tax	Occupancy Tax Rate							
	1%	2%	3%	4%	5%	6%	Over 6%	Total
Cities & Towns	1	8	44	2	8	22	0	**85
Counties	2	0	28	4	8	40	*1	83
Total	3	8	72	6	16	62	1	168

* 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.

Investment of Occupancy Tax Proceeds*

NC Entities Levying Occupancy Tax	Occupancy Tax Investment: At Least Some Revenue To...		
	Tourism Promotion	"Tourism-Related" Expenditures	Non-Tourism Activities
Cities & Towns	76	83	7
Counties	78	70	10
Total	154	153	17

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

FY 2020-2021 Total Occupancy Tax Net Collections Top 10 Counties and Municipalities

	Counties*	Municipalities
1.	Dare \$43,819,793	Wilmington \$3,841,653
2.	Mecklenburg \$31,669,886	Greensboro \$3,650,623
3.	Buncombe \$27,268,424	Ocean Isle Beach \$3,498,492
4.	Currituck \$16,650,164	Oak Island \$3,183,045
5.	Wake \$15,715,504	Holden Beach \$3,121,143
6.	Carteret \$11,454,921	Carolina Beach \$2,290,341
7.	New Hanover \$8,756,877	Bald Head Island \$2,090,181
8.	Cumberland \$6,519,478	Boone \$1,191,574
9.	Durham \$5,895,542	Wrightsville \$1,804,221
10.	Forsyth \$4,245,060	North Topsail Beach \$1,687,044

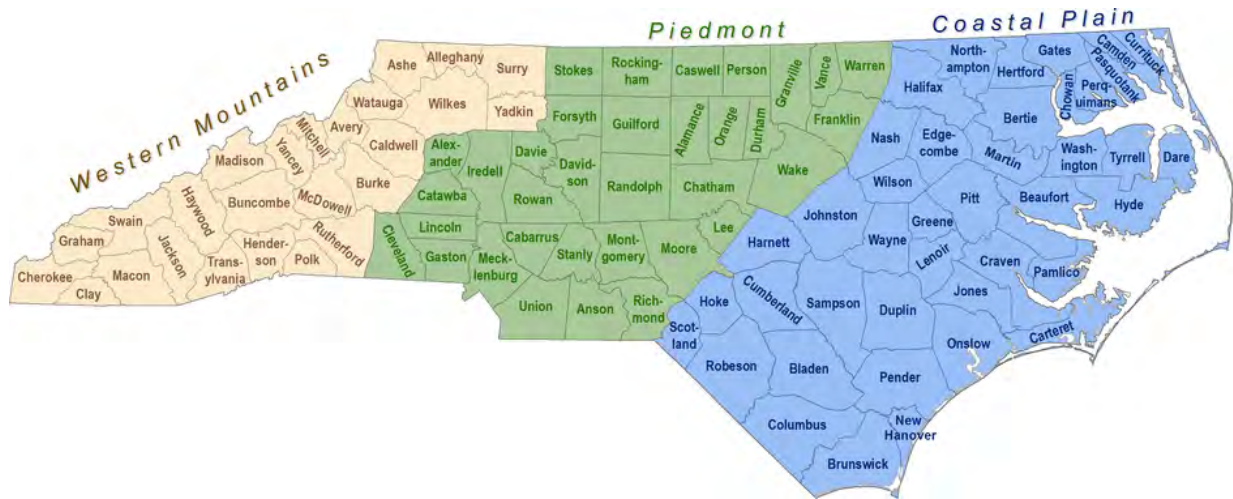
Source: Local Government Division, North Carolina Department of Revenue; Visit NC

* Does not include occupancy tax revenue collected separately by any municipalities within each county that have their own legislation

Contact Information

Chris Cavanaugh
Magellan Strategy Group
P.O. Box 5632
Asheville, NC 28813

(828) 651- 9320
ccavanaugh@magellanstrategy.com
magellanstrategy.com



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.

Research Division
NC General Assembly
Revised 9/3/13

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.

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 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

GROSS COLLECTIONS OF 4.75% STATE SALES AND USE TAX PROCESSED BY THE
DEPARTMENT OF REVENUE FOR THE MONTHS FEBRUARY 2020 THROUGH JANUARY 2021 BY
MERCHANTS CLASSIFIED UNDER BUSINESS 708: HOTELS, MOTELS, COTTAGE RENTALS, ETC.

County	Gross Collections*	Taxable Sales and Purchases*	County	Gross Collections*	Taxable Sales and Purchases*
Alamance	\$ 1,103,760	\$ 23,216,087	Macon	\$ 2,394,056	\$ 50,341,824
Alexander	28,549	601,018	Madison	515,560	10,779,876
Alleghany	117,769	2,411,614	Martin	194,060	4,034,390
Anson	38,705	813,340	McDowell	724,507	15,250,969
Ashe	712,719	14,858,171	Mecklenburg	21,127,951	443,555,287
Avery	1,837,311	38,608,180	Mitchell	104,867	2,207,087
Beaufort	331,595	6,936,010	Montgomery	101,725	2,134,674
Bertie	6,674	140,399	Moore	4,107,948	86,427,209
Bladen	128,902	2,689,778	Nash	1,335,554	28,020,747
Brunswick	9,370,170	196,787,753	New Hanover	10,048,808	210,858,262
Buncombe	16,938,265	355,685,090	Northampton	116,163	2,435,151
Burke	366,517	7,556,389	Onslow	3,194,608	67,204,279
Cabarrus	2,378,931	50,051,523	Orange	1,583,316	33,044,760
Caldwell	361,677	7,601,046	Pamlico	155,822	3,258,512
Camden	4,219	88,802	Pasquotank	522,411	10,962,601
Carteret	6,441,800	135,206,041	Pender	1,598,692	33,611,969
Caswell	30,972	652,034	Perquimans	(S)	(S)
Catawba	1,460,200	30,739,422	Person	187,582	3,947,629
Chatham	182,890	3,845,556	Pitt	1,303,428	27,365,269
Cherokee	700,194	14,682,043	Polk	378,833	7,967,615
Chowan	176,718	3,674,932	Randolph	661,400	13,745,307
Clay	148,500	3,123,152	Richmond	285,147	5,972,169
Cleveland	540,660	11,272,752	Robeson	1,036,186	21,740,694
Columbus	145,796	3,068,001	Rockingham	302,097	6,357,796
Craven	1,114,546	23,444,153	Rowan	652,320	13,716,905
Cumberland	4,215,357	88,633,629	Rutherford	1,606,442	33,756,010
Currituck	10,706,918	225,243,792	Sampson	114,034	2,398,028
Dare	26,404,212	554,559,435	Scotland	213,650	4,344,178
Davidson	427,970	9,003,680	Stanly	224,627	4,728,846
Davie	170,044	3,573,443	Stokes	56,800	1,194,274
Duplin	166,540	3,447,968	Surry	554,056	11,663,517
Durham	5,827,014	122,193,347	Swain	1,652,477	34,709,332
Edgecombe	134,098	2,820,028	Transylvania	1,380,399	28,987,388
Forsyth	2,737,533	57,531,669	Tyrrell	8,263	169,081
Franklin	70,955	1,492,389	Union	506,158	10,578,346
Gaston	1,131,820	23,677,114	Vance	250,279	5,110,810
Gates	(S)	(S)	Wake	12,175,585	255,677,202
Graham	550,046	11,484,161	Warren	214,222	4,507,111
Granville	180,371	3,773,360	Washington	80,262	1,688,941
Greene	8,542	179,831	Watauga	5,183,880	108,974,922
Guilford	5,373,309	112,311,300	Wayne	840,613	17,669,071
Halifax	578,091	12,158,507	Wilkes	402,477	8,448,026
Harnett	492,223	10,356,081	Wilson	756,206	15,393,543
Haywood	2,053,424	43,105,397	Yadkin	210,352	4,426,744
Henderson	2,051,787	43,022,646	Yancey	330,899	6,901,249
Hertford	128,173	2,691,537	Unidentified	526,515	11,026,870
Hoke	79,123	1,665,418	Suppressed	13,847	291,470
Hyde	830,902	17,468,429			
Iredell	1,994,588	41,804,027			
Jackson	2,112,108	44,385,201			
Johnston	981,519	20,569,036			
Jones	9,297	195,728			
Lee	450,315	9,477,956			
Lenoir	386,478	7,855,397			
Lincoln	255,962	5,385,534			
			TOTALS	\$ 195,111,841	\$ 4,095,405,268

* Amounts shown are gross collections of 4.75% sales and use tax (including collections of penalties and interest) processed by the Department of Revenue for months February 2020 through January 2021. Data reflect sales (including purchases for use) primarily in the months January 2020 through December 2020, but may include sales in prior periods. North Carolina has state sales tax of 4.75%, and allows local governments to collect a local option sales tax of up to 2.75%.
(S) Information is suppressed to maintain confidentiality of taxpayer records in counties with small numbers of taxpayers.

Appendix C

Occupancy tax collections fiscal year 2020-2021

Counties	Rate	Total net collections	Municipalities	Rate	Total net collections
	%	\$		%	\$
ALAMANCE COUNTY	3%	854,524			
ALLEGHANY COUNTY	6%	159,193			
ANSON COUNTY	6%	36,499			
ASHE COUNTY	3%	598,233	TOWN OF WEST JEFFERSON	3%	95,381
AVERY COUNTY			TOWN OF BANNER ELK	6%	457,753
			TOWN OF SUGAR MOUNTAIN	6%	931,029
BEAUFORT COUNTY			TOWN OF WASHINGTON	6%	324,460
BRUNSWICK COUNTY	1%	2,337,074	CITY OF SOUTHPORT	3%	167,033
			TOWN OF CASWELL BEACH	5%	519,289
			TOWN OF HOLDEN BEACH	5%	3,121,143
			TOWN OF LELAND	3%	161,888
			TOWN OF OAK ISLAND	5%	3,183,045
			TOWN OF OCEAN ISLE BEACH	5%	3,498,492
			TOWN OF SHALLOTTE	3%	116,621
			TOWN OF SUNSET BEACH	5%	1,291,971
			VILLAGE OF BALD HEAD ISLAND	6% a	2,090,181
BUNCOMBE COUNTY	6%	27,268,424			
BURKE COUNTY	6%	614,477			
CABARRUS COUNTY	6%	3,748,424			
CALDWELL COUNTY	3%	213,904	CITY OF LENOIR	3%	136,784
CAMDEN COUNTY	6%	17,522			
CARTERET COUNTY	6%	11,454,921			
CASWELL COUNTY	3%	23,512			
CATAWBA COUNTY			CITY OF CLAREMONT	4%	13,765
			CITY OF HICKORY	6%	1,472,285

CHATHAM COUNTY	3%	131,594		
CHEROKEE COUNTY	4%	709,200		
CHOWAN COUNTY	5%	201,948		
CLAY COUNTY	3%	128,321		
CLEVELAND COUNTY	3%	743,924	CITY OF KINGS MOUNTAIN	3% 132,952
			CITY OF SHELBY	3% 186,717
			TOWN OF BOILING SPRINGS	3% 19,638
			TOWN OF GROVER	3% *not submitted to NCDOR
COLUMBUS COUNTY	3%	178,189		
CRAVEN COUNTY	6%	1,744,191		
CUMBERLAND COUNTY	6%	6,519,478		
CURRITUCK COUNTY	6%	16,650,164		
DARE COUNTY	6%	43,819,793		
DAVIDSON COUNTY			CITY OF LEXINGTON	6% 337,180
			CITY OF THOMASVILLE	6% 163,283
DAVIE COUNTY	3%	120,434	TOWN OF BERMUDA RUN	3% 54,923
			TOWN OF MOCKSVILLE	3% 54,134
DUPLIN COUNTY	6%	232,016		
DURHAM COUNTY	6%	5,895,542		
EDGECOMBE COUNTY	6%	67,794		
FORSYTH COUNTY	6%	4,245,060		
FRANKLIN COUNTY	6%	76,549		
GASTON COUNTY	3%	1,522,834	CITY OF BELMONT	3% 113,559
			CITY OF GASTONIA	3% 599,922
			CITY OF MOUNT HOLLY	3% 85,179
GRAHAM COUNTY	3%	408,087	TOWN OF FONTANA DAM	3% 42,564
			TOWN OF ROBBINSVILLE	3% 76,424
			LAKE SANTEE TLAH	3% *not submitted to NCDOR
GRANVILLE COUNTY	6%	223,762		

GUILFORD COUNTY	3%	4,226,662	CITY OF GREENSBORO	3%	3,650,623
			CITY OF HIGH POINT	3%	320,536
			TOWN OF KERNERSVILLE	3%	124,427
HALIFAX COUNTY	5%	942,701	CITY OF ROANOKE RAPIDS	1%	141,728
HARNETT COUNTY	3%	61,755	CITY OF DUNN	6%	528,941
HAYWOOD COUNTY	4%	2,560,596			
HENDERSON COUNTY	5%	2,957,078			
HERTFORD COUNTY	3%	55,004	TOWN OF AHOSKIE	3%	49,784
			TOWN OF MURFREESBORO	3%	*not submitted to NCDOR
HYDE COUNTY	5%	963,298	TOWN OF OCRACOKE	5%	*not submitted to NCDOR
IREDELL COUNTY			CITY OF STATESVILLE	5%	885,917
			TOWN OF MOORESVILLE	4%	702,852
			TOWN OF TROUTMAN	3%	1,145
JACKSON COUNTY	4%	2,109,686			
JOHNSTON COUNTY	3%	761,525	TOWN OF BENSON	2%	45,049
			TOWN OF KENLY	2%	31,424
			TOWN OF SELMA	2%	54,442
			TOWN OF SMITHFIELD	2%	228,761
LEE COUNTY	3%	282,139	CITY OF SANFORD	3%	283,585
LENOIR COUNTY	3%	238,125	CITY OF KINSTON	3%	196,103
LINCOLN COUNTY	3%	193,874	CITY OF LINCOLNTON	3%	98,211
MACON COUNTY	3%	2,110,021	TOWN OF FRANKLIN	3%	138,688
MADISON COUNTY	5%	803,148			
MARTIN COUNTY	6%	224,090			
MCDOWELL COUNTY	5%	1,018,851			
MECKLENBURG COUNTY	8%				
Occupancy Tax	6%	23,781,287			
NASCAR Tax	2%	7,888,599			

MITCHELL COUNTY	3%	120,091			
MONTGOMERY COUNTY	3%	113,148			
MOORE COUNTY	3%	2,193,737			
NASH COUNTY	5%	1,649,454			
NEW HANOVER COUNTY	3%	8,756,877	CITY OF WILMINGTON	3%	3,841,653
			TOWN OF CAROLINA BEACH	3%	2,290,341
			TOWN OF KURE BEACH	3%	917,277
			TOWN OF WRIGHTSVILLE BEACH	3%	1,804,221
NORTHAMPTON COUNTY	6%	188,064			
ONslow COUNTY	3%	3,228,624	CITY OF JACKSONVILLE	3%	1,198,643
			TOWN OF NORTH TOPSAIL BEACH	3%	1,687,044
			TOWN OF SWANSBORO	3%	80,430
ORANGE COUNTY	3%	822,048	TOWN OF CARRBORO	3%	85,882
			TOWN OF CHAPEL HILL	3%	608,599
			TOWN OF HILLSBOROUGH	3%	69,900
PAMLICO COUNTY			TOWN OF ORIENTAL	3%	36,594
PASQUOTANK COUNTY	6%	726,019			
PENDER COUNTY	3%	34,574	TOWN OF BURGAW	3%	8,453
			TOWN OF SURF CITY	3% *	1,213,611
			TOWN OF TOPSAIL BEACH	3%	535,763
PERQUIMANS COUNTY	6%	22,920			
PERSON COUNTY	6%	308,073			
PITT COUNTY	6%	1,875,604			
POLK COUNTY	3%	469,788	TOWN OF COLUMBUS	3%	29,773
			TOWN OF TRYON	3%	26,417
			TOWN OF SALUDA	3%	36,025
RANDOLPH COUNTY	5%	946,278			
RICHMOND COUNTY	3%	427,336			

ROBESON COUNTY			CITY OF LUMBERTON	6%	1,372,105
			TOWN OF PEMBROKE	3%	34,185
			TOWN OF ROWLAND	2%	15,088
			TOWN OF ST PAULS	6%	39,643
ROCKINGHAM COUNTY	3%	376,052	CITY OF EDEN	2%	76,179
			CITY OF REIDSVILLE	2%	65,515
ROWAN COUNTY	6%	891,509	CITY OF SALISBURY	3%	*not submitted to NCDOR
RUTHERFORD COUNTY	6%	2,592,134			
SAMPSON COUNTY	6%	170,454			
SCOTLAND COUNTY	6%	303,398			
STANLY COUNTY	6%	309,980			
SURRY COUNTY	6%	149,706	CITY OF MOUNT AIRY	6%	472,235
			TOWN OF DOBSON	6%	129,269
			TOWN OF ELKIN	6%	154,257
			TOWN OF PILOT MOUNTAIN	6%	26,729
SWAIN COUNTY	4%	1,762,904			
TRANSYLVANIA COUNTY	5%	1,797,986			
TYRRELL COUNTY	6%	12,898			
UNION COUNTY			CITY OF MONROE	5%	507,713
VANCE COUNTY	6%	341,235			
WAKE COUNTY	6%	15,715,504			
WASHINGTON COUNTY	6%	177,735			
WATAUGA COUNTY	6% c	4,219,500	TOWN OF BEECH MOUNTAIN	6%	1,242,410
			TOWN OF BLOWING ROCK	6%	1,488,840
			TOWN OF BOONE	6%	1,911,574
			TOWN OF SEVEN DEVILS	6%	395,608
WAYNE COUNTY	1%	194,804	CITY OF GOLDSBORO	5%	859,799

WILKES COUNTY			TOWN OF WILKESBORO	3%	164,357
WILSON COUNTY	6%	1,078,765			
YADKIN COUNTY	6%	c 34,284	TOWN OF JONESVILLE	6%	293,906
			TOWN OF YADKINVILLE	6%	40,855
YANCEY COUNTY	3%	307,441			
TOTAL		\$ 234,442,950		\$	50,690,704

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 D

North Carolina County/ Municipality	2023 Occupancy Tax Rate	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 - Used to further the development of travel, tourism, and conventions through advertising and promotion.</i></p> <p><i>1/3 to Alamance County - 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.</i></p>	2%	1%	
Alexander	-				
Alleghany	6%	<i>Tourism Development Authority - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.</i>	4%	2%	
Anson	6%	<i>Tourism Development Authority - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.</i>	4%	2%	
Ashe	3%	<p><i>1/3 to the Ashe County Chamber of Commerce - Used to promote travel & tourism.</i></p> <p><i>2/3 to Ashe County - Used for any public purpose.</i></p>	1%		2%
West Jefferson	3%	<i>Tourism Development Authority - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.</i>	2%	1%	
Avery	-				
Banner Elk	6%	<i>Tourism Development Authority of the taxing city - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.</i>	4%	2%	
Crossnore	6%	<i>Tourism Development Authority of the taxing city - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures. Note: Enabled to collect occupancy taxes (6%), but does not currently collect.</i>	4%	2%	
Elk Park	6%	<i>Tourism Development Authority of the taxing city - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures. Note: Enabled to collect occupancy taxes (6%), but does not currently collect.</i>	4%	2%	
Grandfather Village	6%	<i>Tourism Development Authority of the taxing city - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures. Note: Enabled to collect occupancy taxes (6%), but does not currently collect.</i>	4%	2%	
Linville	6%	<i>Tourism Development Authority of the taxing city - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures. Note: Enabled to collect occupancy taxes (6%), but does not currently collect.</i>	4%	2%	

North Carolina County/ Municipality	2023 Occupancy Tax Rate	Occupancy Tax Allocation	Allocation to Tourism Promotion	Allocation to Tourism- Related Expenditures	Allocation to Generally Non- Tourism Activities
Newland	6%	Tourism Development Authority of the taxing city- At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures. Note: Enabled to collect occupancy taxes (6%), but does not currently collect.	4%	2%	
Sugar Mountain	6%	Tourism Development Authority of the taxing city- At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	4%	2%	
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	-				
Brunswick	1%	<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%
Shalotte	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%

North Carolina County/ Municipality	2023 Occupancy Tax Rate	Occupancy Tax Allocation	Allocation to Tourism Promotion	Allocation to Tourism- Related Expenditures	Allocation to Generally Non- Tourism Activities
Buncombe	6%	<i>Tourism Development Authority</i> - 2/3 shall be used only to further the development of travel, tourism, meetings and events in the county through marketing, advertising, sales & promotion and for the administrative expenses (includes salaries, benefits, operations and facilities) of the Authority, not to exceed 20% of the net proceeds for the applicable fiscal year; the remainder shall be split evenly between a Tourism Product Development Fund to provide financial assistance for major tourism projects in order to significantly increase patronage of lodging facilities in, and further economic development in, Buncombe County; and The Legacy Investment from Tourism Fund to provide financial assistance for tourism-related projects that are designed to increase patronage of lodging facilities, meeting facilities, and convention facilities by attracting tourists, business travelers, or both and benefits the community at large in Buncombe County.	4%	2%	
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%	
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	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%	
Yanceyville	3%	<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures. Note: Enabled to collect occupancy taxes (3%), but does not currently collect.	2%	1%	
Catawba Claremont	- 4%	<i>City of Claremont</i> - Proceeds deposited in the general fund.			4%

North Carolina County/ Municipality	2023 Occupancy Tax Rate	Occupancy Tax Allocation	Allocation to Tourism Promotion	Allocation to Tourism- Related Expenditures	Allocation to Generally Non- Tourism Activities
Conover	6%	<i>City of Conover</i> - Remits its tax to the Hickory-Conover TDA. Hickory-Conover Tourism Development Authority- Prior to and through December 31, 2039, 2/3 to be used for improving, leasing, constructing, financing, operating or acquiring facilities and properties needed to provide for a convention center facility, including parking facilities for the convention center; remainder must be used to promote travel and tourism. After December 31, 2039, at least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	2%	4%	
Hickory	6%	<i>City of Hickory</i> - Remits its tax to the Hickory-Conover Tourism Development Authority- Prior to and through December 31, 2039, 2/3 to be used for improving, leasing, constructing, financing, operating or acquiring facilities and properties needed to provide for a convention center facility, including parking facilities for the convention center; remainder must be used to promote travel and tourism. After December 31, 2039, at least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.	2%	4%	
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	2023 Occupancy Tax Rate	Occupancy Tax Allocation	Allocation to Tourism Promotion	Allocation to Tourism- Related Expenditures	Allocation to Generally Non- Tourism Activities
Craven	6%	<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.)	2% - 6%	0% - 4%	
		<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.			
Cumberland	6%	<i>Of the first 3%:</i> 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. 2) <i>Remaining 1/2</i> - Used specifically for advertising the auditorium and promoting travel & tourism. <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.	3%	3%	
Currituck	6%	<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.	2%	4%	

North Carolina County/ Municipality	2023 Occupancy Tax Rate	Occupancy Tax Allocation	Allocation to Tourism Promotion	Allocation to Tourism- Related Expenditures	Allocation to Generally Non- Tourism Activities
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>Additional 1% to the Dare County Tourism Board- 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>Remaining 2% to Dare County- Used for beach nourishment.</p>	0.75%	1.25%	4%
Davidson Lexington	-	<p><i>Lexington Tourism Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.</p>	2%	1%	
Thomasville	6%	<p><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.</p>	2%	4%	
Davie	3%	<p><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.</p>	0% - 1.5%	0% - 1.5%	1.5%
Bermuda Run	3%	<p><i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.</p>	2%	1%	
Cooleemee	3%	<p><i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures. Note: Enabled to collect occupancy taxes (3%), but does not currently collect.</p>	2%	1%	
Mocksville	3%	<p><i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.</p>	2%	1%	
Duplin	6%	<p><i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.</p>	4%	2%	
Durham	6%	<p><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.</p>	2%	1%	3%

North Carolina County/ Municipality	2023 Occupancy Tax Rate	Occupancy Tax Allocation	Allocation to Tourism Promotion	Allocation to Tourism- Related Expenditures	Allocation to Generally Non- Tourism Activities
		<i>Remaining 3% to the Convention and Visitors Bureau - 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.</i>			
Edgecombe	6%	<i>Tourism Development Authority - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.</i>	4%	2%	
Forsyth	6%	<p><i>Of the first 3%:</i></p> <p>1) <i>5% divided among the municipalities other than Winston-Salem on a pro rata basis - Used only for economic development and cultural & recreational purposes.</i></p> <p>2) <i>Remainder to the Tourism Development Authority - Used to further the development of travel, tourism, and conventions.</i></p> <p><i>Of the remaining 3%:</i></p> <p>1) <i>5% divided among the municipalities other than Winston-Salem on a pro rata basis - Used only for economic development and cultural & recreational purposes.</i></p> <p>2) <i>1/3 of the remaining proceeds to the Tourism Development Authority - Used to further the development of travel, tourism, and conventions.</i></p> <p>3) <i>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.</i></p> <p>4) <i>Remainder divided between Winston-Salem and Forsyth County on a pro rata basis - Used only for economic development and cultural & recreational purposes.</i></p>	3.92%	2.08%	
Franklin	6%	<i>Tourism Development Authority - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.</i>	4%	2%	
Gaston	3%	<i>Board of Commissioners - Used for economic development to promote travel & tourism, including administrative expenses of the county's Travel and Tourism Office.</i>	3%		
Belmont	3%	<i>Tourism Development Authority - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.</i>	2%	1%	
Cramerton	3%	<i>Tourism Development Authority - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures. Note: Enabled to collect occupancy taxes (3%), but does not currently collect.</i>	2%	1%	
Dallas	3%	<i>Tourism Development Authority- At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.</i>	2%	1%	

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Gastonia	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%	
Lowell	3%	<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures. Note: Enabled to collect occupancy taxes (3%), but does not currently collect.	2%	1%	
McAdenville	3%	<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures. Note: Enabled to collect occupancy taxes (3%), but does not currently collect.	2%	1%	
Mount Holly	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%	
Ranlo	3%	<i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures. Note: Enabled to collect occupancy taxes (3%), but does not currently collect.	2%	1%	
Gates	-				
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%	<i>Town Council</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures. Note: Enabled to collect occupancy taxes (3%), but does not currently collect-effective July 1, 2022.	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%	70% to the Greensboro/Guilford County Tourism Development Authority - 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%	30% to the City of High Point - 85% used to promote travel & tourism activities/programs, and 15% used for specific tourist-related events. 1) 1/5 to Greensboro/Guilford County Tourism Development Authority - Used for activities and programs promoting and encouraging travel & tourism. 2) 4/5 to the City of Greensboro - 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%	

North Carolina County/ Municipality	2023 Occupancy Tax Rate	Occupancy Tax Allocation	Allocation to Tourism Promotion	Allocation to Tourism- Related Expenditures	Allocation to Generally Non- Tourism Activities
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	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%	
Averasboro Township (The tax is levied by Harnett County Board of Commissioners, but only within Averasboro Township)	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%	
Henderson	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%	
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%	

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Iredell	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. Note: Enabled to collect occupancy taxes (3%), but does not currently collect at the county level.	1% - 3%	1% - 3%	
Mooresville	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%	<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%	
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%

North Carolina County/ Municipality	2023 Occupancy Tax Rate	Occupancy Tax Allocation	Allocation to Tourism Promotion	Allocation to Tourism- Related Expenditures	Allocation to Generally Non- Tourism Activities
Sanford	3%	<i>Tourism Development Authority</i> - 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 <i>(See appendix for full occupancy tax allocation.)</i>	8% <i>(Two separate occupancy taxes, 6%</i>	<i>First 3% to the City of Charlotte</i> - Used for convention center facilities. <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.	0% - 3%	5% - 8%	
Mitchell	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%	
Montgomery	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%	
Moore	3%	<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%	

North Carolina County/ Municipality	2023 Occupancy Tax Rate	Occupancy Tax Allocation	Allocation to Tourism Promotion	Allocation to Tourism- Related Expenditures	Allocation to Generally Non- Tourism Activities
Nash	5%	<p><i>First 3% to the Tourism Development Authority - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.</i></p> <p><i>Remaining 2% to the City of Rocky Mount - Used for tourism-related expenditures specifically approved in advance by the TDA.</i></p>	2%	3%	
New Hanover <i>(except Convention Center District)</i>	3%	<p><i>3/5 to New Hanover County - Used for beach nourishment.</i></p> <p><i>2/5 to the Cape Fear Coast Convention and Visitors Bureau (set up as a TDA) - Used to promote travel & tourism.</i></p>	1.2%	1.8%	
New Hanover County District U <i>(New Hanover County levies an additional occupancy tax in District U- a special taxing district containing the unincorporated areas of the county.)</i>	3%	<p><i>Cape Fear Coast Convention and Visitors Bureau - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.</i></p>	2%	1%	
Wilmington	3%	<p><i>City of Wilmington Convention center account - Used by the City of Wilmington for the construction, financing, operation, promotion, and maintenance of a public convention center.</i></p>		3%	
Wilmington Convention Center District Carolina Beach, Kure Beach, and Wrightsville Beach <i>(The county collects and administers the occupancy tax on behalf of the towns listed above.)</i>	3% 3% (in each town)	<p><i>City of Wilmington Convention center account - Used by the City of Wilmington for the construction, financing, operation, promotion, and maintenance of a public convention center.</i></p> <p><i>Cape Fear Coast Convention and Visitors Bureau (set up as a TDA) - 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.</i></p>	1.5%	3% 1.5%	
Northampton	6%	<p><i>Tourism Development Authority - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.</i></p>	4%	2%	
Onslow	3%	<p><i>Onslow County - Proceeds deposited in the general fund and are used to further the development of travel, tourism, and conventions.</i></p>	0% - 3%	0% - 3%	
Jacksonville	3%	<p><i>Tourism Development Authority - At least 2/3 must be used for tourism-related expenditures; remainder used for tourism promotion.</i></p>	1%	2%	
North Topsail Beach	3%	<p><i>North Topsail Beach - Used for beach nourishment.</i></p>		3%	
Swansboro	3%	<p><i>Tourism Development Authority - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.</i></p>	2%	1%	

North Carolina County/ Municipality	2023 Occupancy Tax Rate	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>Tourism Development Authority</i> - Elizabeth City- 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	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%	

North Carolina County/ Municipality	2023 Occupancy Tax Rate	Occupancy Tax Allocation	Allocation to Tourism Promotion	Allocation to Tourism- Related Expenditures	Allocation to Generally Non- Tourism Activities
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%	
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%
Saluda	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%	
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%	<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%	<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%	

North Carolina County/ Municipality	2023 Occupancy Tax Rate	Occupancy Tax Allocation	Allocation to Tourism Promotion	Allocation to Tourism- Related Expenditures	Allocation to Generally Non- Tourism Activities
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%	
Stanly	6%	<p><i>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.</i></p> <p><i>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.</i></p> <p><i>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.</i></p> <p><i>Remaining proceeds to Stanly County - Used for tourism-related expenditures.</i></p>	Approx. 3%	Approx. 3%	
Stokes	-				
Surry <i>(Surry County only levies an occupancy tax in District S - a special taxing district containing the unincorporated areas of the county.)</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%	
Dobson	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%	
Elkin	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%	
Mount Airy	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%	
Pilot Mountain	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	2023 Occupancy Tax Rate	Occupancy Tax Allocation	Allocation to Tourism Promotion	Allocation to Tourism- Related Expenditures	Allocation to Generally Non- Tourism Activities
Swain	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%	
Transylvania	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%	
Tyrrell	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%	
Union Monroe	-	<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%	
Vance	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%	
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%	<i>Tourism Development Authority</i> - 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%	<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	2023 Occupancy Tax Rate	Occupancy Tax Allocation	Allocation to Tourism Promotion	Allocation to Tourism- Related Expenditures	Allocation to Generally Non- Tourism Activities
Beech Mountain <i>(Only up to 3% if District W is levying an occupancy tax)</i>	6%	<i>Tourism Development Authority - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.</i>	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>	3%	<i>Tourism Development Authority - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.</i>	2%	1%	
Blowing Rock	6%	<i>Tourism Development Authority - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.</i>	4%	2%	
Boone	6%	<i>Tourism Development Authority - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.</i>	4%	2%	
Seven Devils	6%	<i>Tourism Development Authority - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.</i>	4%	2%	
Seven Devils District W	3%	<i>Tourism Development Authority - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.</i>	2%	1%	
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 - All funds used to promote travel and tourism. No more than 1/5 to the Tourism Council - Used to develop tourism, support services, and tourist-related events, and for any other appropriate activities to provide tourism-related facilities and attractions. Remainder to the citizens' advisory committee - Used for a study of the feasibility of the construction of a civic center. 1) If civic center feasible, remainder to the City of Goldsboro - Used for improving, leasing, constructing, financing, operating, or acquiring facilities and properties as needed to provide for a civic center facility. 2) If civic center not feasible at present, up to 1/2 to the Tourism Council - Used to develop tourism, support services, and tourist-related events, and for any other appropriate activities to provide tourism-related facilities and attractions.</i>	1% 0% - 3%	2% - 5%	

North Carolina County/ Municipality	2023 Occupancy Tax Rate	Occupancy Tax Allocation	Allocation to Tourism Promotion	Allocation to Tourism- Related Expenditures	Allocation to Generally Non- Tourism Activities
		<p><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.</p> <p>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.</p>			
Wilkes <i>(Wilkes County only levies an occupancy tax in Wilkes County District K - a special taxing district containing the unincorporated areas of the county.)</i> Wilkesboro	6% 3%	<p><i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.</p> <p><i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.</p>	4% 2%	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%	<p><i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.</p> <p><i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.</p> <p><i>Tourism Development Authority</i> - At least 2/3 must be used to promote travel & tourism; remainder used for tourism-related expenditures.</p>	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> <ol style="list-style-type: none"> 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. 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. 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>Of the remaining 3%:</p> <ol style="list-style-type: none"> 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><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>	<ol style="list-style-type: none"> 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.) 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>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>