

PART IV: TOWN OF SWANSBORO

SECTION 4.1. Occupancy tax. – (a) Authorization and Scope. – The Swansboro Board of Commissioners may levy a room occupancy tax of up to three percent (3%) of the gross receipts derived from the rental of any room, lodging, or accommodation furnished by a hotel, motel, inn, tourist camp, or similar place within the town that is subject to sales tax imposed by the State under G.S. 105-164.4(a)(3). This tax is in addition to any State or local sales tax. This tax does not apply to accommodations furnished by nonprofit charitable, educational, or religious organizations when furnished in furtherance of their nonprofit purpose.

SECTION 4.1.(b) Administration. – A tax levied under this section shall be levied, administered, collected, and repealed as provided in G.S. 160A-215. The penalties provided in G.S. 160A-215 apply to a tax levied under this section.

SECTION 4.1.(c) Definitions. – The following definitions apply in this act:

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

SECTION 4.1.(d) Distribution and Use of Tax Revenue. – The Town of Swansboro shall, on a quarterly basis, remit the net proceeds of the occupancy tax to the Swansboro Tourism Development Authority. The Authority shall use at least two-thirds of the funds remitted to it under this subsection to promote travel and tourism in the Town of Swansboro and shall use the remainder for tourism-related expenditures.

SECTION 4.2. Tourism Development Authority. – (a) Appointment and Membership. – When the Board of Commissioners adopts a resolution levying a room occupancy tax under this act, it shall also adopt a resolution creating the Swansboro Tourism Development Authority, which shall be a public authority under the Local Government Budget and Fiscal Control Act. The resolution shall provide for the membership of the Authority, including the members' terms of office, and for the filling of vacancies on the Authority. At least one-third of the members shall be individuals who are affiliated with businesses that collect the tax in the town, and at least one-half of the members shall be individuals who are currently active in the promotion of travel and tourism in the town. The Swansboro Board of Commissioners shall designate one member of the Authority as chair and shall determine the compensation, if any, to be paid to members of the Authority.

The Authority shall meet at the call of the chair and shall adopt rules of procedure to govern its meetings. The Finance Officer for the Town of Swansboro shall be the ex officio finance officer of the Authority.

SECTION 4.2.(b) Duties. – The Authority shall expend the net proceeds of the tax levied under this act for the purposes provided in Section 3.1 of this act. The Authority shall promote travel, tourism, and conventions in the town, sponsor tourist-related events and activities in the town, and finance tourist-related capital projects in the town.

SECTION 4.2.(c) Reports. – The Authority shall report quarterly and at the close of the fiscal year to the Swansboro Board of Commissioners on its receipts and expenditures for the preceding quarter and for the year in such detail as the Swansboro Board of Commissioners may require.

PART IV: ADMINISTRATION AND EFFECTIVE DATE

SECTION 5. G.S. 153A-155(g) reads as rewritten:

RESOLUTION 2011-R7

**A RESOLUTION LEVYING A ROOM OCCUPANCY TAX
IN THE TOWN OF SWANSBORO**

WHEREAS North Carolina General Statute 160A-215, as amended by ratified Session Law 2011-170, authorizes the Town of Swansboro to levy a room occupancy tax; and

WHEREAS over 70 other North Carolina municipalities, including the Onslow County cities of Jacksonville and North Topsail Beach, have been authorized to levy a room occupancy tax; and

WHEREAS the Town of Swansboro – a coastal community with an beautiful and historic downtown waterfront area with regional tourism attraction – desires to promote, market, and enhance the travel and tourism segment of its local business economy; and

WHEREAS the promotion of tourism in Swansboro improves the economic health and prosperity of the community, creating business revenue to fund employment opportunities and generating sales tax revenue to support needed public services associated with tourism; and

WHEREAS a public hearing has been conducted, following at least 10 days notice, on the question of levying an occupancy tax of three percent on the gross receipts derived from the rental of rooms, lodging, or other accommodations in the town;

BE IT RESOLVED by the Board of Commissioners of the Town of Swansboro:

Section 1. Tax Levy. There is hereby levied a room occupancy tax of three percent on the gross receipts derived from the rental of any room, lodging, or accommodation furnished by an hotel, motel, inn, tourist camp, or similar place within the town that is subject to sales tax imposed by the State of North Carolina under the provisions of G.S. 105-164.4(a)(3).

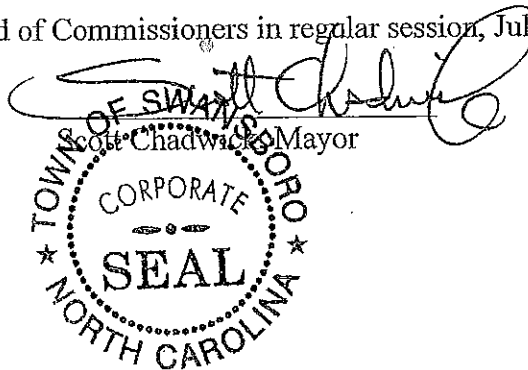
Section 2. Collection and Use of Funds. The proceeds of this tax shall be collected by the Town of Swansboro and remitted, on a quarterly basis, to the Swansboro Tourism Development Authority. The Authority shall use at least two-thirds of the funds remitted to it to promote travel and tourism in the town of Swansboro and shall use the remainder for tourism-related expenses.

Section 3. Effective Date. This tax levy shall be effective September 1, 2011.

Adopted by the Swansboro Board of Commissioners in regular session, July 19, 2011.

Attest:

Paula W. Webb
Paula Webb, Town Clerk



RESOLUTION 2011-R8

**A RESOLUTION ESTABLISHING THE
SWANSBORO TOURISM DEVELOPMENT AUTHORITY**

WHEREAS the Town of Swansboro has, under the authority of North Carolina General Statute 160A-215 and Session Law 2011-170, levied a room occupancy tax on the gross receipts from the rental of any room, lodging, or accommodation furnished by an hotel, motel, inn, tourist camp, or similar place; and

WHEREAS the act of the General Assembly granting authority to the Town to levy a room occupancy tax required that the Town create a Tourism Development Authority to expend the proceeds of the room occupancy tax to promote travel, tourism, and conventions, to sponsor tourist-related events and activities in the town, and to finance tourist-related capital projects in the town;

BE IT RESOLVED by the Board of Commissioners of the Town of Swansboro:

Section 1. Creation of Authority. There is hereby created a Swansboro Tourism Development Authority, which shall be a public authority under the provisions of the Local Government Budget and Fiscal Control Act.

Section 2. Membership. The Swansboro Tourism Development Authority shall consist of six members, who shall be appointed by the Swansboro Board of Commissioners for a term of two years each that shall coincide with the calendar year; provided, however, that the initial appointments to the authority shall be for a term of 28 months, beginning September 1, 2011. Effective with the January 2014 appointments, membership of the Authority shall consist of 2-year staggered term appointments with three (3) members appointed by the Board of Commissioners at the end of each calendar year. The members shall serve at the pleasure of the Board of Commissioners, and any vacancies on the authority shall be filled by appointment of the Board of Commissioners. At least half of the members of the authority shall be persons who are active in the promotion of travel and tourism in the town, and at least one third of the members shall be persons who are affiliated with businesses that collect the room occupancy tax. Individual members may, if qualified, serve in and fulfill the representation requirements for more than one category, and the Town officials shall be regarded as being active in the promotion of travel and tourism, so long as the Town appropriates funds in support of these purposes. The remaining member or members of the authority shall be appointed at the sole discretion of the Board of Commissioners and may include members of the town governing board or town administration. The Board of Commissioners shall designate the

member of the authority who shall serve – at its pleasure – as the chair of the authority and shall determine the compensation, if any, to be paid to the members of the authority.

Section 3. Meetings and Procedures. The Authority shall meet at the call of its chair and shall adopt rules of procedure to govern its meetings.

Section 4. Accounting. The finance officer of the Town of Swansboro shall be the ex-officio finance officer of the authority and shall be responsible for the collection and accounting of all funds remitted to- or disbursed by the Authority. The net proceeds of the tax remitted to the authority shall be the gross proceeds of the tax less the cost (as determined by the finance officer) to the town of administering the tax, which cost shall not exceed three percent of the first \$500,000 of gross proceeds collected each year and one percent of the remaining gross proceeds collected each year, unless otherwise authorized by state law.

Section 5. Staffing. The Town may, in the discretion of the Board of Commissioners and/or the town manager, provide staffing assistance to the authority to facilitate its duties and responsibilities. The cost of any such staffing assistance that falls within the description of administrative expenses incurred in promoting travel and tourism should be reimbursed to the Town.

Section 6. Duties. The Authority shall promote travel, tourism, and conventions in the town, shall sponsor tourist-related events and activities in the town, and shall finance tourist-related capital projects in the town. The Authority shall expend the net proceeds of the room occupancy tax levied by the Town of Swansboro as follows: (a) at least two-thirds shall be used to promote travel and tourism in the Town of Swansboro; (b) the remaining funds may be used for tourism-related expenditures.

a. “Promote travel and tourism” means to advertise or market an area or activity, publish and distribute pamphlets or other materials, conduct market research, and/or engage in similar promotional activities that attract tourists or business travelers to the area. This term includes administrative expenses incurred in engaging in the foregoing listed activities. This term also includes activities and expenditures of town government designed to promote travel and tourism.

b. “Tourism-related expenditures” means expenditures that, in the judgment of the Authority, are designed to increase the use of lodging facilities, meeting facilities, or convention facilities in the town or to attract tourists or business travelers to the town. This term includes tourism-related capital expenditures, including tourism-related capital projects of town government.

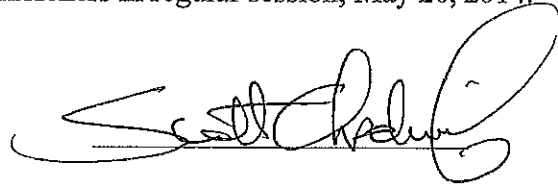
Section 7. Reports. The Authority shall report quarterly and at the close of the fiscal year to the Swansboro Board of Commissioners on its receipts and expenditures for the preceding quarter and for the year. Such reports shall be in such detail as may be required by the Board of Commissioners. The fiscal year shall be the same as the municipal fiscal year.

Section 8. Effective Date. The Swansboro Tourism Development Authority shall be established effective September 1, 2011.

Section 9. Amendments. The provisions of this resolution may be amended from time to time by the Board of Commissioners, following a public hearing with at least 10 days notice to the public.

Adopted by the Swansboro Board of Commissioners in regular session, July 19, 2011.

Amended by the Swansboro Board of Commissioners in regular session, May 20, 2014.



Scott Chadwick, Mayor

Attest:



Paula Webb, Town Clerk

