



1       The taxes imposed by this Article do not apply to food and other items that are not  
2 otherwise exempt pursuant to G.S. 105-164.13 but would be exempt pursuant to G.S.  
3 105-164.13 if purchased with coupons issued under the Food Stamp Program, 7 U.S.C. §  
4 51."

5           Sec. 3. G.S. 105-465 reads as rewritten:

6 **"§ 105-465. County election as to adoption of local sales and use tax.**

7       The board of elections of any county, upon the written request of the board of county  
8 ~~commissioners thereof, commissioners,~~ or upon receipt of a petition signed by qualified  
9 voters of the county equal in number to at least fifteen percent (15%) of the total number  
10 of votes cast in the county, at the last preceding election for the office of Governor, shall  
11 call a special election for the purpose of submitting to the voters of the county the  
12 question of whether a one percent (1%) sales and use tax ~~as hereinafter provided~~ will be  
13 levied.

14       The special election shall be held under the same rules ~~and regulations~~ applicable to the  
15 election of members of the General Assembly. No new registration of voters shall be  
16 required. All qualified voters in the county who are properly registered not later than 21  
17 days (excluding Saturdays and Sundays) prior to the election shall be entitled to vote at  
18 ~~said the~~ election. The county board of elections shall give at least 20 days' public notice  
19 prior to the closing of the registration books for the special election.

20       The county board of election shall prepare ballots for the special ~~election which shall~~  
21 ~~contain the words, election.~~ The question presented on the ballot shall be 'FOR the one  
22 percent (1%) local sales and use tax only on those items presently covered by the four percent  
23 (4%) sales and use tax,' and the words, on items subject to State sales and use tax at the  
24 general State rate and on food' or 'AGAINST the one percent (1%) local sales and use tax  
25 only on those items presently covered by the four percent (4%) sales and use tax,' with  
26 appropriate squares so that each voter may designate his vote by his cross (X) mark. on items  
27 subject to State sales and use tax at the general State rate and on food'.

28       The county board of elections shall fix the date of the special ~~election; provided,~~  
29 ~~however, election,~~ election, except that the special election shall not be held on the date or within  
30 60 days of any biennial election for county officers, nor within 60 days thereof, nor within  
31 one year from the date of the last preceding special election under this section."

32           Sec. 4. G.S. 105-467 reads as rewritten:

33 **"§ 105-467. Scope of sales tax.**

34       The sales tax ~~which that~~ may be imposed under this Article is limited to a tax at the  
35 rate of one percent (1%) ~~of~~ of the following:

- 36       (1)     The sales price of ~~those articles of~~ tangible personal property ~~now~~ subject  
37 to the general rate of sales tax imposed by the State under G.S. 105-  
38 164.4(a)(1) and ~~(4b); (a)(4b).~~
- 39       (2)     The gross receipts derived from the lease or rental of tangible personal  
40 property when the lease or rental of the property is subject to the general  
41 rate of sales tax imposed by the State under G.S. ~~105-164.4(a)(2); 105-~~  
42 164.4(a)(2).

1 (3) The gross receipts derived from the rental of any room or lodging  
2 furnished by any hotel, motel, inn, tourist camp or other similar  
3 accommodations ~~now~~ subject to the general rate of sales tax imposed by  
4 the State under G.S. ~~105-164.4(a)(3); and 105-164.4(a)(3).~~

5 (4) The gross receipts derived from services rendered by laundries, dry  
6 cleaners, and other businesses ~~now~~ subject to the general rate of sales  
7 tax imposed by the State under G.S. 105-164.4(a)(4).

8 (5) The sales price of food that is not otherwise exempt from tax pursuant to  
9 G.S. 105-164.13 but would be exempt from the State sales and use tax  
10 pursuant to G.S. 105-164.13 if it were purchased with coupons issued  
11 under the Food Stamp Program, 7 U.S.C. § 51.

12 The sales tax authorized by this Article does not apply to sales that are taxable by the  
13 State under G.S. 105-164.4 but are not specifically included in ~~subdivisions (1) through (4)~~  
14 ~~of this section.~~

15 The State exemptions and exclusions contained in G.S. 105-164.13 and the State  
16 refund provisions contained in G.S. 105-164.14 shall apply with equal force and in like  
17 manner to the local sales and use tax authorized to be levied and imposed under this  
18 Article. A taxing county shall have no authority, with respect to the local sales and use tax  
19 imposed under this Article to change, alter, add to or delete any refund provisions contained in  
20 G.S. 105-164.14, or any exemptions or exclusions contained in G.S. 105-164.13 or which are  
21 elsewhere provided for. may not allow an exemption, exclusion, or refund that is not  
22 allowed under the State sales and use tax.

23 The local sales tax authorized to be imposed and levied under ~~the provisions of this~~  
24 ~~Article shall apply to such retail sales, leases, rentals, the rendering of services,~~  
25 ~~furnishing of rooms, lodgings or accommodations and other applies to taxable~~  
26 ~~transactions which are made, furnished or rendered by retailers whose place of business is~~  
27 ~~located within the taxing county. The tax imposed shall apply to the furnishing of rooms,~~  
28 ~~lodging or other accommodations within the county which are rented to transients. For~~  
29 ~~the purpose of this Article, the situs of a transaction is the location of the retailer's place~~  
30 ~~of business."~~

31 Sec. 5. G.S. 105-468 reads as rewritten:

32 "**§ 105-468. Scope of use tax.**

33 The use tax ~~which may be imposed under~~ authorized by this Article ~~shall be~~ is a tax at  
34 the rate of one percent (1%) of the cost price of each item or article of tangible personal  
35 property when it that is not sold in the taxing county but is used, consumed-consumed,  
36 stored for use or consumption in the taxing county, except that no tax shall be imposed upon  
37 tangible personal property when the property would be taxed by the State at a rate other than the  
38 general rate of tax set in G.S. 105-164.4 if it were taxable under G.S. 105-164.6. county. The  
39 tax applies to the same items that are subject to tax under G.S. 105-467.

40 Every retailer who is engaged in business in this State and in the taxing county and is  
41 required to collect the use tax levied by G.S. 105-164.6 shall also collect the one percent  
42 (1%) use tax when such the property is to be used, consumed-consumed,  
43 taxing county, one percent (1%) use tax to be collected concurrently with the State's use tax; but

1 ~~no retailer not required to collect the use tax levied by G.S. 105-164.6 shall be required to collect~~  
2 ~~the one percent (1%) use tax. county.~~ The use tax contemplated by this section shall be  
3 levied against the purchaser, and the purchaser's liability for the use tax shall be  
4 extinguished only upon payment of the use tax to the retailer, where the retailer is  
5 required to collect the tax, or to the ~~Secretary of Revenue, or to the taxing county, as~~  
6 ~~appropriate, Secretary,~~ where the retailer is not required to collect the tax.

7 Where a local sales or use tax has been paid with respect to tangible personal property  
8 by the purchaser, either in another taxing county within the State, or in a taxing  
9 jurisdiction outside the State where the purpose of the tax is similar in purpose and intent  
10 to the tax which may be imposed pursuant to this Article, the tax paid may be credited  
11 against the tax imposed under this section by a taxing county upon the same property. If  
12 the amount of sales or use tax so paid is less than the amount of the use tax due the taxing  
13 county under this section, the purchaser shall pay to the ~~Secretary of Revenue or to the~~  
14 ~~taxing county, as appropriate,~~ an amount equal to the difference between the amount so  
15 paid in the other taxing county or jurisdiction and the amount due in the taxing county.  
16 The ~~Secretary of Revenue or the taxing county, as appropriate,~~ may require such proof of  
17 payment in another taxing county or jurisdiction as is deemed to be necessary. The use  
18 tax levied under this Article is not subject to credit for payment of any State sales or use  
19 tax not imposed for the benefit and use of counties and municipalities. No credit shall be  
20 given under this section for sales or use taxes paid in a taxing jurisdiction outside this  
21 State if that taxing jurisdiction does not grant similar credit for sales taxes paid under this  
22 Article."

23 Sec. 6. The first paragraph of Section 4 of Chapter 1096 of the 1967 Session  
24 Laws, as amended, is amended as follows:

- 25 (1) By deleting the word "and" before subdivision (4).  
26 (2) By changing the period at the end of subdivision (4) to a semicolon and  
27 adding the word "and".  
28 (3) By adding a new subdivision to read:  
29 "(5) The sales price of food and other items that are not otherwise exempt  
30 from tax pursuant to G.S. 105-164.13 but would be exempt from the  
31 State sales and use tax pursuant to G.S. 105-164.13 if purchased with  
32 coupons issued under the Food Stamp Program, 7 U.S.C. § 51."

33 Sec. 7. Section 5 of Chapter 1096 of the 1967 Session Laws is amended by  
34 deleting the first sentence of that section and substituting the following sentences to read:

35 "The use tax that Mecklenburg County may impose under this division is a tax at the  
36 rate of one percent (1%) of the cost price of each item or article of tangible personal  
37 property that is not sold but is used, consumed, or stored for use or consumption in  
38 Mecklenburg County. The tax applies to the same items that are subject to tax under  
39 Section 4 of this act."

40 Sec. 8. Approval under Article 39, 40, or 42 of Chapter 105 of the General  
41 Statutes or under the Mecklenburg County Sales and Use Tax Act, Chapter 1096 of the  
42 1967 Session Laws, as amended, of local sales and use taxes on items subject to State

1 sales and use tax at the general State rate constitutes approval of local sales and use taxes  
2 on food.

3           Sec. 9. Except as otherwise provided in this act, this act becomes effective  
4 January 1, 1997, and applies to sales made on or after that date. Section 1 of this act is  
5 repealed effective January 1, 2000.