

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

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SENATE BILL 846

Short Title: Change the LOST Adjustment Factor. (Public)

Sponsors: Senators Brown (Primary Sponsor); and Smith.

Referred to: Finance

May 11, 2016

A BILL TO BE ENTITLED

AN ACT TO CHANGE THE LOCAL OPTION SALES TAX (LOST) ADJUSTMENT FACTOR TO ONE THAT VARIES BY ECONOMIC DEVELOPMENT TIERS AND TO REPEAL THE STATE CONTRIBUTION TOWARD THE LOST ADDITIONAL SALES TAX DISTRIBUTION.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 105-486(b) reads as rewritten:

"(b) Adjustment. – The Secretary shall then adjust the amount allocated to each county under subsection (a) by multiplying the amount by the appropriate adjustment factor set out in the table below. The adjustment factor is based on the development tier designation of the county under G.S. 143B-437.08. The development tier designation of a county is effective for the fiscal year following the designation. If, after applying the adjustment factors, the resulting total of the amounts allocated is greater or lesser than the net proceeds to be distributed, the amount allocated to each county shall be proportionally adjusted to eliminate the excess or shortage.

<u>CountyArea Development Tier</u>	<u>Adjustment Factor</u>
<u>Development tier one</u>	<u>1.10</u>
<u>Development tier two</u>	<u>1.00</u>
<u>Development tier three</u>	<u>0.90</u>
Dare	1.49
Brunswick	1.17
Orange	1.15
Carteret and Durham	1.14
Avery	1.12
Moore	1.11
Transylvania	1.10
Chowan, McDowell, and Richmond	1.09
Pitt and New Hanover	1.07
Beaufort, Perquimans, Buncombe, and Watauga	1.06
Cabarrus, Jackson, and Surry	1.05
Alleghany, Bladen, Robeson, Washington, Craven, Henderson, Onslow, and Vance	1.04
Gaston, Granville, and Martin	1.03
Alamance, Burke, Caldwell, Chatham, Duplin, Edgecombe, Haywood, Swain, and Wilkes	1.02
Hertford, Union, Stokes, Yancey, Halifax, Rockingham, and Cleveland	1.01



1	Alexander, Anson, Johnston, Northampton, Pasquotank, Person,	1.00
2	Polk, and Yadkin	
3	Catawba, Harnett, Iredell, Pamlico, Pender, Randolph, Stanly, and	0.99
4	Tyrrell	
5	Cherokee, Cumberland, Davidson, Graham, Hyde, Macon,	0.98
6	Rutherford, Scotland, and Wilson	
7	Ashe, Bertie, Franklin, Hoke, Lincoln, Montgomery, and Warren	0.97
8	Wayne, Clay, Madison, Sampson, Wake, Lee, and Forsyth	0.96
9	Caswell, Gates, Mitchell, and Greene	0.95
10	Currituck and Guilford	0.94
11	Davie and Nash	0.93
12	Rowan and Camden	0.92
13	Jones	0.90
14	Mecklenburg	0.89
15	Lenoir	0.88
16	Columbus	0.81"

17 **SECTION 2.** G.S. 105-524(e) is repealed.

18 **SECTION 3.** Section 1 of this act becomes effective July 1, 2017, and applies to local
19 option sales taxes collected on or after that date and distributed to counties and cities on or after
20 September 1, 2017. Section 2 of this act becomes effective July 1, 2016. The remainder of this act
21 is effective when it becomes law.