

REQUEST FOR BOARD ACTION
HENDERSON COUNTY
BOARD OF COMMISSIONERS

MEETING DATE: 18 July 2012
SUBJECT: Consideration of Change in Occupancy Tax
PRESENTER: Charles Russell Burrell

SUMMARY OF REQUEST:

North Carolina Session Law 2012-144 (“SL 2012-144”) authorized this Board to add an additional one percent to the Henderson County “room occupancy and tourism development tax”, bringing the total authorized to six percent (6%) of the gross receipts derived from the rental of accommodations. This Board had requested during its budget process the authority to increase the occupancy tax, though with proceeds to be directed by this Board.

Under SL 2012-144, from the initial levy through June 30, 2014, receipts from the levy of the sixth percent are to be used “for the maintenance, operation, renovation, and promotion of The Vagabond School of the Drama, Inc., including the Mainstage and the Playhouse Downtown locations.”¹ Beginning July 1, 2014, the receipts from the levy are to be used for the same purposes as the first five percent levied.

Under the terms of SL 2012-144, “The Vagabond School of the Drama, Inc., shall separately identify in its financial statements expenditures of funds that it receives pursuant to this act. The Vagabond School of the Drama, Inc., shall report annually by October 1 to the Authority expenditures of the funds received during the Authority's fiscal year pursuant to this act in such detail as required by the Authority or the Authority's Finance Officer.”²

BOARD ACTION REQUESTED:

Discussion of the rate of Occupancy and Tourism Development Tax.

Suggested Motion:

No motion suggested.

¹ SL 2012-144, Section 1 (Sec. 5)(e)(2).

² SL 2012-144, Section 2.(a) (Sec 6)(e).