



Legislation Text

File #: 19-5553, Version: 1

**Title:**

**One Quarter-Cent County Sales and Use Tax Referendum (Chair Dunlap)**

**Summary**

**ACTION:**

1) Adopt a resolution authorizing and directing the Mecklenburg County Board of Elections Director to place on the November 5, 2019 ballot and conduct an advisory referendum on the question of whether to levy an additional one-quarter cent sales and use tax as provided in Article 46 of Chapter 105 of the North Carolina General Statutes; and

2) Adopt a resolution embodying the Board of County Commissioners statement of intent regarding appropriation of the potential proceeds of such additional one-quarter cent sales and use tax

**Commission/Staff Contact:** George Dunlap, Chair / Dena R. Diorio, County Manager

**Presentation:** Yes (Verbal)

**BACKGROUND/JUSTIFICATION:**

Article 46 of Chapter 105 of the North Carolina General Statutes, a copy of which is attached hereto, allows the Board of County Commissioners to institute a one-quarter cent sales and use tax subject to the following conditions:

- Counties that have levied the previously created two cents in local sales taxes have authority to institute an additional one-quarter cent sales and use tax
- The Board of Commissioners may levy the local sales and use tax by resolution after providing 10 days' public notice only if a majority of those voting in a referendum vote for the levy
- Pursuant to section 105-537(c) of the General Statutes, the ballot language shall read:

[ ] FOR [ ] AGAINST

Local sales and use tax at the rate of one-quarter percent (0.25%) in addition to all other state and local sales and use taxes

The additional local option sales and use tax does not apply to food or items that are deemed

**exempt under a separate statute.**

**It is estimated that revenues generated from the sales and use tax would be approximately \$50 million per year. The Board will need to determine the best intended appropriation of the additional revenues as well as determine which governance model will best manage the revenues and provide transparency and control over the dollars provided should the measure be approved.**

**PROCUREMENT BACKGROUND:**

**N/A**

**POLICY IMPACT:**

**N/A**

**FISCAL IMPACT:**

**N/A**