

Local Option Sales Tax Referendum

- **August 03, 2020** - Commission notification to local & State Board of Elections to include advisory referendum on primary election ballot with specific ballot verbiage (90-120 days preferred)
- **November 3, 2020** - Obtain voter approval in non-binding advisory referendum
- **December 07, 2020** - Provide 10 days public notice of intent to adopt resolution levying the new tax
- **December 17, 2020** – Approve resolution levying new tax
- **December 30, 2020** – Forward adopted resolution levying the tax to Department of Revenue
- **April 01, 2021** – Collection of revenue for ¼% Sales Tax increase begins



Ballot Inclusion

- Use of funds cannot be included on the ballot. However, the Board of Commissioners may adopt a resolution stipulating the use of the proceeds.
- Ballot question must be presented as follows:

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.

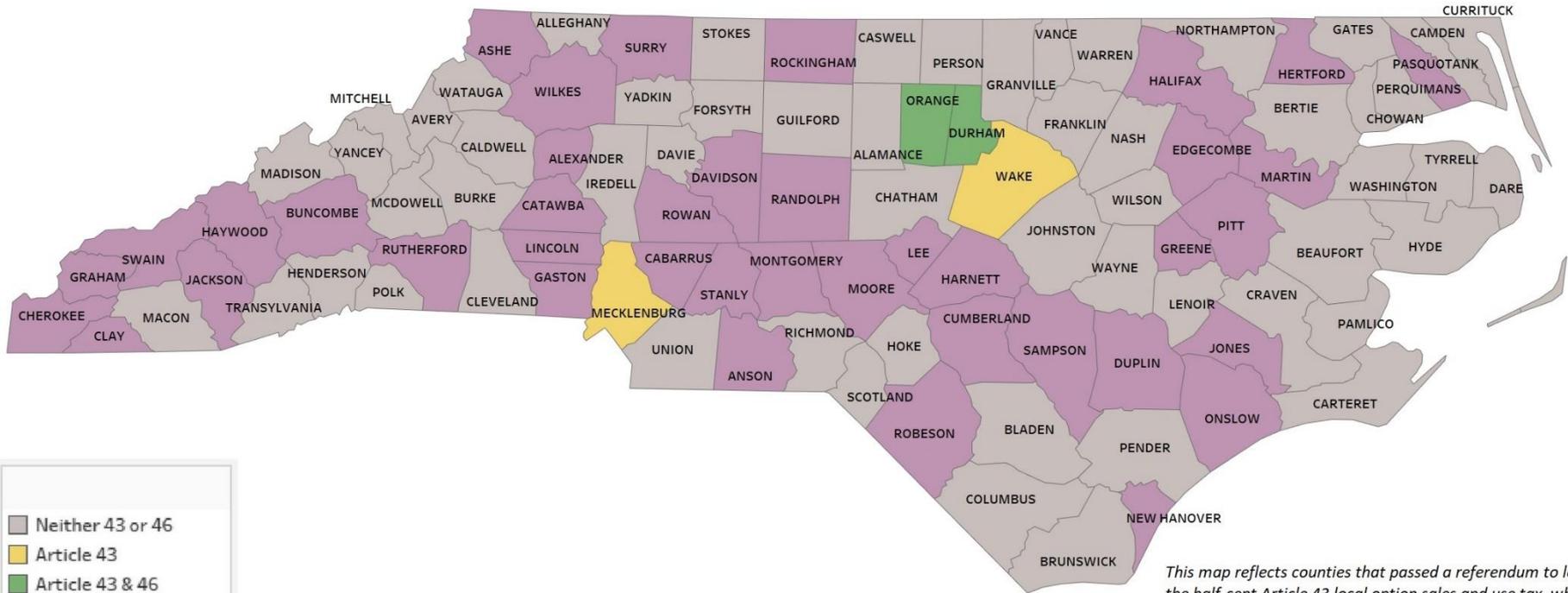


Revenue Generated & Items Taxed

- Approximately \$19 Million in revenue in a fiscal year
- \$4.75 Million in current year if tax levied by April 01, 2021
- New sales tax would only apply to items currently taxed, excluding unprepared food (i.e. groceries)
- Sales tax would NOT include: motor vehicles, prescription drugs, certain medical equipment, and gasoline.
- Items Included:
 - Tangible personal property (furniture, clothing)
 - Certain digital property
 - Service contracts
 - Admission to entertainment events
 - Accommodation rentals
 - Prepaid telephone services
 - Prepared food
 - Soft drinks
 - Candy
 - Vending machine food
 - Dietary supplements



Local Option Adoption Across NC



This map reflects counties that passed a referendum to levy the half-cent Article 43 local option sales and use tax, which is dedicated to financing public transportation; the quarter-cent Article 46 tax, which is general purpose use; or both, as of November 2018.

