CHAPTER 105

ARTICLE 43 - LOCAL GOVERNMENT SALES AND USE TAXES FOR PUBLIC TRANSPORTATION

N.C.G.S. § 105-507.3.

(Effective until contingency met – see note) Distribution and use of taxes.

SOURCE	LAST AMENDMENT IN THIS TEXT	RETRIEVED	SOURCE FINGERPRINT
General Statutes of North Carolina, as published by the General Assembly	No amendment history on record	21 September 2026, 02:53 UTC	da7ba598756db4f5b13f2dca - 9cb6efbaaf9333cfca814757 - 1dc2dc60fd44a879

§ 105-507.3(a) Distribution. - The Secretary shall, on a monthly basis, allocate to each taxing county the net proceeds of the tax levied under this Part by that county. If the Secretary collects taxes under this Part in a month and the taxes cannot be identified as being attributable to a particular taxing county, the Secretary shall allocate these taxes among the taxing counties, in proportion to the amount of taxes collected in each county under this Part in that month and shall include them in the monthly distribution.

The Secretary shall distribute the net proceeds of the tax levied by a county on a per capita basis among the county and the units of local government in the county that operate public transportation systems. No proceeds shall be distributed to a county that does not operate a public transportation system or to a unit of local government that does not operate a public transportation system.

§ 105-507.3(b) Use. - A county must allocate the net proceeds distributed to it in accordance with its financial plan adopted pursuant to G.S. 105-507 and use the net proceeds only for financing, constructing, operating, and maintaining local public transportation systems. Any other unit of local government may use the net proceeds distributed to it under this Part only for financing, constructing, operating, and maintaining local public transportation systems. Every unit of government shall use the net proceeds to supplement and not to supplant or replace existing funds or other resources for public transportation systems. The net proceeds distributed to any unit of local government, other than the county that levies the tax, pursuant to this Part may be included as revenues within the meaning of G.S. 159-81(4), including any modifications of that statute. (1997-417, s. 1; 2001-427, s. 13(f); 2009-527, s. 2(a), (b); 2025-39, s. 2.3.)

§ 105-507.3. (Effective once contingency met - see note) Distribution and use of taxes.

§ 105-507.3(a) Distribution. - The Secretary shall, on a monthly basis, allocate to each taxing county the net proceeds of the tax levied under this Part by that county. If the Secretary collects taxes under this Part in a month and the taxes cannot be identified as being attributable to a particular taxing county, the Secretary shall allocate these taxes among the taxing counties, in proportion to the amount of taxes collected in each county under this Part in that month and shall include them in the monthly distribution.

The Secretary shall distribute the net proceeds of the tax levied by a county to the largest transportation authority that includes the county. No proceeds shall be distributed to a transportation authority that does not operate a public transportation system.

§ 105-507.3(b) Use. - A transportation authority may use the net proceeds distributed to it under this Part only for financing, constructing, operating, and maintaining local public transportation systems. The net proceeds distributed to any unit of local government, other than the county that levies the tax, pursuant to this Part may be included as revenues within the meaning of G.S. 159-81(4), including any modifications of that statute. (1997-417, s. 1; 2001-427, s. 13(f); 2009-527, s. 2(a), (b); 2025-39, ss. 2.3, 2.4.)

END OF SECTION TEXT

APPARATUS FOLLOWS — DERIVED, NOT ENACTED

APPARATUS II
2 AUTHORITIES

Authorities referenced

Every G.S. cross-reference appearing in the text of this section, in order of first appearance. Nothing is characterized; the operative language is quoted from the section itself.

REFERENCE	APPEARS IN	OPERATIVE LANGUAGE IN THIS SECTION
G.S. 105-507	(b)	*"its financial plan adopted pursuant to"*
G.S. 159-81(4)	(b)	*"as revenues within the meaning of"*

APPARATUS III

Citation

FULL SECTION

N.C. Gen. Stat. § 105-507.3 (2026).

PINPOINT

N.C. Gen. Stat. § 105-507.3(a) (2026).

Pinpoint keys are set in the left margin of the text rather than line numbers: subsection designators are stable across editions and paper sizes, line numbers are not.

COLOPHON

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