



CHAPTER 105

ARTICLE 44 - LOCAL GOVERNMENT HOLD HARMLESS AND ALLOCATION PROVISIONS

N.C.G.S. § 105-524.

Distribution of additional sales tax revenue for economic development, public education, and community colleges.

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, 04:21 UTC	46cc2d4bb904c198ee0d6982 - ee67c5b1c22a62cbb30cc6d1 - 24b98c10dd60d2ba

§ 105-524(a) Purpose. - The purpose of this section is to address sales tax leakage that results from the different revenue-raising capacity of local option sales taxes in each taxing jurisdiction. The amount to be distributed is determined under subsection (b) of this section. The amount each county may receive is determined by the county's allocation percentage under subsection (c) of this section. The General Assembly must periodically review the allocation percentages.

§ 105-524(b) Distribution Amount. - The Secretary must calculate a distribution amount in conformity with this section. The Secretary must deduct this amount, in equal installments, proportionately from the collections to be allocated each month for distribution under Article 39 and Chapter 1096 of the 1967 Session Laws and Articles 40 and 42 of this Chapter, excluding the revenue allocated under G.S. 105-469.

For the fiscal year beginning July 1, 2016, the distribution amount is eighty-four million eight hundred thousand dollars (\$84,800,000). For fiscal years beginning on or after July 1, 2017, the distribution amount is the amount for the preceding year, adjusted by the same percentage of this amount as the percentage change of the total collection of local sales and use taxes levied under Article 39 of this Chapter and Chapter 1096 of the 1967 Session Laws and Articles 40 and 42 of this Chapter for the preceding fiscal year.

§ 105-524(c)

County Allocation. - The Secretary must, on a monthly basis, allocate to each taxing county an amount equal to one-twelfth of the distribution amount calculated under subsection (b) of this section multiplied by the appropriate allocation percentage. If, after applying the allocation percentages in this section, 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. The allocation percentages are as follows:

County Allocation Percentage

Alamance 0.00%

Alexander 1.69%

Alleghany 0.31%

Anson 0.96%

Ashe 0.62%

Avery 0.00%

Beaufort 0.17%

Bertie 0.94%

Bladen 1.03%

Brunswick 0.00%

Buncombe 0.00%

Burke 2.19%

Cabarrus 0.00%

Caldwell 1.72%

Camden 0.48%

Carteret 0.00%

Caswell 1.35%

Catawba 0.00%

Chatham 1.58%

Cherokee 0.24%

Chowan0.26%

Clay0.32%

Cleveland1.43%

Columbus2.63%

Craven1.01%

Cumberland0.06%

Currituck0.00%

Dare0.00%

Davidson4.96%

Davie1.14%

Duplin1.97%

Durham0.00%

Edgecombe1.86%

Forsyth0.00%

Franklin2.44%

Gaston1.96%

Gates0.68%

Graham0.31%

Granville1.87%

Greene1.20%

Guilford0.00%

Halifax0.76%

Harnett5.17%

Haywood0.05%

Henderson0.68%

Hertford0.47%

Hoke	2.58%
Hyde	0.03%
Iredell	0.00%
Jackson	0.00%
Johnston	3.26%
Jones	0.63%
Lee	0.37%
Lenoir	1.56%
Lincoln	1.74%
Macon	0.00%
Madison	1.03%
Martin	0.31%
McDowell	0.68%
Mecklenburg	0.00%
Mitchell	0.29%
Montgomery	1.05%
Moore	0.00%
Nash	1.16%
New Hanover	0.00%
Northampton	0.94%
Onslow	1.10%
Orange	0.33%
Pamlico	0.40%
Pasquotank	0.02%
Pender	1.69%
Perquimans	0.50%

Person0.74%

Pitt0.16%

Polk0.74%

Randolph4.27%

Richmond0.54%

Robeson3.00%

Rockingham2.18%

Rowan3.90%

Rutherford1.63%

Sampson2.10%

Scotland0.83%

Stanly1.04%

Stokes1.99%

Surry0.00%

Swain0.32%

Transylvania0.16%

Tyrrell0.15%

Union4.35%

Vance0.36%

Wake0.00%

Warren1.01%

Washington0.33%

Watauga0.00%

Wayne2.27%

Wilkes1.55%

Wilson0.39%

Yadkin1.31%

Yancey0.52%.

§ 105-524(d) Use of Funds. - The amount allocated to a taxing county under this section must be divided among the county and its municipalities in accordance with the method by which the one percent (1%) sales and use taxes levied in that county pursuant to Article 39 of this Chapter or Chapter 1096 of the 1967 Session Laws are distributed. The county must use the revenue it receives under this section for economic development, public education, and community college purposes.

§ 105-524(e) Repealed by Session Laws 2016-94, s. 38.5(o), effective for fiscal years beginning on or after July 1, 2016.

§ 105-524(f) Taxing County. - For purposes of this section, the term "taxing county" means a county that levies the first one-cent (1¢) sales and use tax under Article 39 of this Chapter or under Chapter 1096 of the 1967 Session Laws, the first one-half cent (1/2¢) local sales and use tax under Article 40 of this Chapter, and the second one-half cent (1/2¢) local sales and use tax under Article 42 of this Chapter.

§ 105-524(g) Adjustments. - The adjustments made under this section to Article 39 of this Chapter and Chapter 1096 of the 1967 Session Laws and Articles 40 and 42 of this Chapter shall not be included in the calculations made under G.S. 105-469, 105-522, and 105-523.- (2015-241, s. 32.19(b); 2015-268, s. 10.1(e1); 2016-94, s. 38.5(o).)

END OF SECTION TEXT

APPARATUS FOLLOWS — DERIVED, NOT ENACTED

APPARATUS II
1 AUTHORITY

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. 105-469	(b)	"Chapter, excluding the revenue allocated under"

APPARATUS III

Citation

FULL SECTION

N.C. Gen. Stat. § 105-524 (2026).

PINPOINT

N.C. Gen. Stat. § 105-524(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

Provenance

This document reproduces the text of one section of the General Statutes of North Carolina from a source file whose SHA-256 digest is printed on every page. The digest fixes the bytes this export was made from; if the State's file changes, the digest will not match.

The text of the section is unaltered. Subsection designators have been moved from the run of text into the margin. The amendment history and the table of authorities are derived from the section by mechanical extraction — they add no characterization of the law.

This is not the official text. The official text is published by the General Assembly of North Carolina.

SET IN SPECTRAL AND ARCHIVO
NORTH CAROLINA LAW — STATUTE EXPORT, FORMAT V1

