



CHAPTER 18B
ARTICLE 8 - OPERATION OF ABC STORES

N.C.G.S. § 18B-805.

Distribution of revenue.

SOURCE	LAST AMENDMENT IN THIS TEXT	RETRIEVED	SOURCE FINGERPRINT
General Statutes of North Carolina, as published by the General Assembly	S.L. 2021-150, s. 27.4 — fourteenth act in the lineage	21 September 2026, 03:38 UTC	08ed7dd3294b69d8cc45c17e - 13240f2e3bf58bd2400a91d2 - 65a8186513de9ee6

§ 18B-805(a) Gross Receipts. - As used in this section, "gross receipts" means all revenue of a local board, including proceeds from the sale of alcoholic beverages, investments, interest on deposits, and any other source.

§ 18B-805(b) Primary Distribution. - Before making any other distribution, a local board shall first pay the following from its gross receipts:

- (1) The board shall pay the expenses, including salaries, of operating the local ABC system.
- (2) Each month the local board shall pay to the Department of Revenue the taxes due the Department. In addition to the taxes levied under Chapter 105 of the General Statutes, the local board shall pay to the Department one-half of both the mixed beverages surcharge required by G.S. 18B-804(b)(8) and the guest room cabinet surcharge required by G.S. 18B-804(b)(9).
- (3) Each month the local board shall pay to the Department of Health and Human Services five percent (5%) of both the mixed beverages surcharge required by G.S. 18B-804(b)(8) and the guest room cabinet surcharge required by G.S. 18B-804(b)(9). The Department of Health and Human Services shall spend those funds for the treatment of alcoholism or substance abuse, or for research or education on alcohol or substance abuse.
- (4) Each month the local board shall pay to the county commissioners of the county where the charge is collected the proceeds from the charge required by G.S. 18B-804(b)(6), to be spent by the county commissioners for the purposes stated in subsection (h) of this section.

- § 18B-805(c)** Other Statutory Distributions. - After making the distributions required by subsection (b), a local board shall make the following quarterly distributions from the remaining gross receipts.
- (1) Before making any other distribution under this subsection, the local board shall set aside the clear proceeds of the three and one-half percent (3 ½%) markup provided for in G.S. 18B-804(b)(5) and the charge provided for in G.S. 18B-804(b)(6b), to be distributed as part of the remaining gross receipts under subsection (e) of this section.
 - (2) The local board shall spend for law enforcement an amount set by the board which shall be at least five percent (5%) of the gross receipts remaining after the distribution required by subdivision (1). The local board may contract with the ALE Division to provide the law enforcement required by this subdivision. Notwithstanding the provisions of any local act, this provision shall apply to all local boards.
 - (3) The local board shall spend, or pay to the county commissioners to spend, for the purposes stated in subsection (h), an amount set by the board which shall be at least seven percent (7%) of the gross receipts remaining after the distribution required by subdivision (1). This provision shall not be applicable to a local board which is subject to a local act setting a different distribution.
- § 18B-805(d)** Working Capital. - After making the distributions provided for in subsections (b) and (c), the local board may set aside a portion of the remaining gross receipts, within the limits set by the rules of the Commission, as cash to operate the ABC system. With the approval of the appointing authority for the board, the local board may also set aside a portion of the remaining gross receipts as a fund for specific capital improvements.
- § 18B-805(e)** Other Distributions. - After making the distributions provided in subsections (b), (c), and (d), the local board shall pay each quarter the remaining gross receipts to the general fund of the city or county for which the board is established, unless some other distribution or some other schedule is provided for by law. If the governing body of each city and county receiving revenue from an ABC system agrees, those governing bodies may alter at any time the distribution to be made under this subsection or under any local act. Copies of the governing body resolutions agreeing to a new distribution formula and a copy of the approved new distribution formula shall be submitted to the Commission for review and audit purposes. If any one of the governing bodies

later withdraws its consent to the change in distribution, profits shall be distributed according to the original formula, beginning with the next quarter.

§ 18B-805(f)

Surcharge Profit Shared. - When, pursuant to G.S. 18B-603(d1), spirituous liquor is bought at a city ABC store by a mixed beverages permittee for premises located outside the city, the local board operating the store at which the sale is made shall retain seventy-five percent (75%) of the local share of both the mixed beverages surcharge required by G.S. 18B-804(b)(8) and the guest room cabinet surcharge required by G.S. 18B-804(b)(9) and the remaining twenty-five percent (25%) shall be divided equally among the local ABC boards for all other cities in the county that have authorized the sale of mixed beverages.

When, pursuant to G.S. 18B-603(e), spirituous liquor is bought at a city ABC store by a mixed beverages permittee for premises located at an airport outside the city, the local share of both the mixed beverages surcharge required by G.S. 18B-804(b)(8) and the guest room cabinet surcharge required by G.S. 18B-804(b)(9) shall be divided equally among the local ABC boards for all cities in the county that have authorized the sale of mixed beverages.

§ 18B-805(g)

Quarterly Distributions. - When this section requires a distribution to be made quarterly, at least ninety percent (90%) of the estimated distribution shall be paid to the recipient by the local board within 30 days of the end of that quarter. Adjustments in the amount to be distributed resulting from the closing of the books and from audit shall be made with the next quarterly payment.

§ 18B-805(h)

Expenditure of Alcoholism Funds. - Funds distributed under subdivisions (b)(4) and (c)(3) of this section shall be spent for the treatment of alcoholism or substance abuse, or for research or education on alcohol or substance abuse. The minutes of the board of county commissioners or local board spending funds allocated under this subsection shall describe the activity for which the funds are to be spent. Any agency or person receiving funds from the county commissioners or local board under this subsection shall submit an annual report to the board of county commissioners or local board from which funds were received, describing how the funds were spent.

§ 18B-805(i)

Calculation of Statutory Distributions When Liquor Sold at Less Than Uniform Price. - If a local board sells liquor at less than the uniform State price, distributions required by subsections (b) and (c) shall be calculated as though the liquor was sold at the uniform price.

END OF SECTION TEXT

APPARATUS FOLLOWS — DERIVED, NOT ENACTED

APPARATUS I

14 ACTS

Amendment lineage

The State prints this history as a single parenthetical at the foot of the section. It is reproduced verbatim in the colophon and unpacked below in order of enactment.



Nº	YEAR	ACT	CHARACTER
01	1981	c. 412, s. 2	ENACTED
02	1981	c. 747, s. 52	AMENDED
03	1983	c. 713, ss. 102-104	AMENDED
04	1983	1985 (Reg. Sess., 1986), c. 1014, s. 116	AMENDED
05	1991	c. 459, s. 3	AMENDED
06	1991	c. 689, s. 306	AMENDED
07	1991	1991 (Reg. Sess., 1992), c. 920, s. 4	AMENDED
08	1993	c. 415, s. 27	AMENDED
09	1997	S.L. 1997-443, s. 11A.118(a)	AMENDED
10	1999	S.L. 1999-462, s. 8	AMENDED
11	2011	S.L. 2011-145, s. 19.1(q)	AMENDED
12	2014	S.L. 2014-100, s. 17.1(xxx)	AMENDED
13	2019	S.L. 2019-203, s. 9(a)	AMENDED
14	2021	S.L. 2021-150, s. 27.4	AMENDED

APPARATUS II

7 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. 18B-804(b)(8)	(b)(2)	"the mixed beverages surcharge required by"
G.S. 18B-804(b)(9)	(b)(2)	"guest room cabinet surcharge required by"

G.S. 18B-804(b)(6)	(b)(4)	<i>"proceeds from the charge required by"</i>
G.S. 18B-804(b)(5)	(c)(1)	<i>"(3 ½%) markup provided for in"</i>
G.S. 18B-804(b)(6b)	(c)(1)	<i>"and the charge provided for in"</i>
G.S. 18B-603(d1)	(f)	<i>"Profit Shared. - When, pursuant to"</i>
G.S. 18B-603(e)	(f)	<i>"When, pursuant to"</i>

APPARATUS III

Citation

FULL SECTION

N.C. Gen. Stat. § 18B-805 (2021).

PINPOINT

N.C. Gen. Stat. § 18B-805(a) (2021).

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.

HISTORY PARENTHETICAL, AS PRINTED BY THE STATE

(1981, c. 412, s. 2; c. 747, s. 52; 1983, c. 713, ss. 102-104; 1985 (Reg. Sess., 1986), c. 1014, s. 116; 1991, c. 459, s. 3; c. 689, s. 306; 1991 (Reg. Sess., 1992), c. 920, s. 4; 1993, c. 415, s. 27; 1997-443, s. 11A.118(a); 1999-462, s. 8; 2011-145, s. 19.1(q); 2014-100, s. 17.1(xxx); 2019-203, s. 9(a); 2021-150, s. 27.4.)

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

