

IMPORTANT ROOM OCCUPANCY TAX INFORMATION

1. **Occupancy Tax.** Every operator of a business or individual furnishing a taxable accommodation in New Hanover county such as a hotel, motel, inn, room rental, or other such short term rental, is subject to charging a Room Occupancy Tax in accordance with North Carolina General statute 153A-155 and 160A-215.
2. **Exceptions.** This tax does not apply: (a) to any private residence or cottage rented for less than fifteen (15) days in calendar year, or (b) to any room, lodging or accommodation furnished and applied to the same person for a period of ninety (90) or more continuous days, or (c) to accommodations furnished by nonprofit charitable, educational or religious organizations when furnished in furtherance of their nonprofit purpose.
3. **Collection of Tax.** Every operator of a business subject to the tax and every owner of a private residence or cottage subject to the tax and every rental agent, including real estate broker, who rent private residences and cottages on behalf of owners shall collect the appropriate room occupancy tax. The tax shall be collected as part of the furnishing of any taxable accommodations and shall be paid by the purchaser to the operator, owner, or rental agent as trustee for and on account of New Hanover County. The tax shall be added to the sales price and shall be passed on to the purchaser, and not be borne by the operator, owner, or rental agent.
4. **Payment of Tax and Tax Reports.** The tax is due and payable to New Hanover County in monthly installments on or before the 20th day of the month following the month in which the tax accrues. Every person, firm, corporation, or association liable for the tax shall, on or before the 20th day of each month, prepare and render a return on the New Hanover County Room Occupancy Tax report.
5. **Penalties.** (a) Failure to file by return due date. A penalty of 5% of the amount of the tax will be assessed if the return is not filed by the 20th of the month in which it is due, with an additional 5% for each additional month, or fraction thereof: 25% penalty or \$5.00, whichever is greater. (b) Failure to pay tax when due. A penalty of 10% will be assessed if the tax is not paid by the 20th of the month in which it is due; minimum \$5.00 penalty (c) any person who willfully attempts to evade the tax or attempts to evade making return and who willfully fails to pay the tax or make and file a return shall be guilty of a class 1 misdemeanor in addition to all other penalties, proved by law.
6. Contact the New Hanover County Tax Office at (910) 798-7113 if further information is needed