

SUMMARY OF CHATHAM COUNTY LEGISLATIVE ISSUES 2016-17

AUTHORIZATION FOR SILER CITY ANNEXATION OF MEGASITE

Chatham County joins with the Town of Siler City in asking our legislators to introduce a local bill to exempt the Town of Siler City from G.S. 160A-58.1(b)(5), which limits annexation of noncontiguous areas to 10% of total area contiguously incorporated. This would authorize Siler City to annex the certified economic development megasite property northwest of the town. This has several benefits for both local governments and would put the town in the position to provide utilities to the site. Without the local authorizing legislation, the annexation of an area this size would not be permissible under state law. The Siler City Town Manager will present more information. A copy of draft legislation is provided and will be presented.

REQUEST: Introduction and support of proposed legislation.

SPECIAL ASSESSMENT FOR CHATHAM PARK

Chatham Park has requested that Chatham County use NCGS § 153A-210 to impose a special assessment district to reimburse the developers for a portion of the cost of infrastructure. As currently worded, the statute does not expressly give counties the authority to impose the district without incurring debt. Chatham Park attorneys have worked with the county's bond attorney to draft changes to the legislation that would allow the county to set up the district as envisioned by Chatham Park without incurring debt or obligating county revenue. The newest version would include language that would clarify that Chatham County has the authority to collect the revenues and use the funds to reimburse Chatham Park for infrastructure costs. Chatham Park's consultants are taking the lead in securing lawmakers to introduce the bill. See attached proposed legislation.

REQUEST: Support the legislation once it is introduced.

DOT FUNDING FOR ROAD WORK IN FLOODED COMMUNITY

The heavy rains around Christmas brought Jordan Lake several feet over flood stage for weeks. A large section of Jeremiah Drive in northeastern Chatham was under water for more than three weeks. Residents could not access their homes without using a boat to get back and forth. This created a serious public safety hazard, because emergency vehicles could not get to these homes. Chatham County has included the elevation of this road as a DOT local priority since 2008, but it has not ranked high enough with the Metropolitan Planning Organization (MPO) to qualify for Transportation Improvement Program (TIP) funding. We understand that sometimes legislators may be able to tap a special reserve of funds for local projects, but are not sure it exists.

REQUEST: Ask your legislative staff to investigate any potential sources of DOT funding that could make this project a priority for DOT.

SALES TAX COUNTY ASSIGNMENT

Chatham County and several other counties continue to lose sales tax revenue due to vendors not properly designating the county location for delivery of goods. Sometimes, a vendor will use only the five-digit zip code, instead of the nine-digit zip code. In Chatham County, this means that very often the wrong county is credited for taxes when, in fact, the destination of the delivery is inside our county. We

lose out on revenue and the buyer often pays the higher sales tax rates of surrounding counties. We have worked diligently over the past two years to educate homebuilders and residents about this problem. See attached flyer. We are starting to see some improvements, but have a long way to go.

REQUEST: We would ask that you amend the sales tax legislation to require accurate assignment of the tax for delivered goods.

ELIMINATION OR REPLACEMENT OF ECONOMIC DEVELOPMENT TIERS

In December 2015, the Program Evaluation Division released a report calling for the dissolution of the economic development tier system. The report summarized various ways that these tiers have not been effectively used to get non-economic development funds to the most distressed counties. Chatham County serves as an example of this problem. The western part of the county, including Siler City, remains a very economically distressed area, even though the eastern part of the county is considered to be fairly wealthy. Over the years, this part of Chatham County almost never qualified for funding distributed by the state to help those in need. Examples of grants that were hard to qualify for due to the tier system are Wastewater Reserve and Drinking Water Reserve Programs, Medication Assistance, NC Low Income Housing Tax Credit and Farmland Preservation Trust Fund.

REQUEST: If it appears that the tiers will end up being replaced by another state formula, we would ask that counties have input and that the formula recognize the far-ranging economic differences that exist within most counties.

ADOPTED RESOLUTIONS OF CHATHAM COUNTY BOARD OF COMMISSIONERS

The Chatham County Board of Commissioners will be voting on March 7, 2016 to approve the following resolutions:

- Support of the ConnectNC Bond (see attached)
- Support of Healthy Together NC Initiative (see attached)

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2016**

Short Title: Siler City Voluntary Satellite Annexations.

(Local)

Sponsors: (Primary Sponsors).

Referred to:

A BILL TO BE ENTITLED
AN ACT TO REMOVE CERTAIN RESTRICTIONS ON VOLUNTARY SATELLITE
ANNEXATIONS FOR THE TOWN OF SILER CITY

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 160A-58.1(b)(5) reads as rewritten:

“(b) A noncontiguous area proposed for annexation must meet all of the following standards:

...

- (5) The area within the proposed satellite corporate limits, when added to the area within all other satellite corporate limits, may not exceed ten percent (10%) of the area within the primary corporate limits of the annexing city.

This subdivision does not apply to the Cities of Belmont, Claremont, Concord, Conover, Durham, Elizabeth City, Gastonia, Greenville, Hickory, Kannapolis, Locust, Marion, Mount Airy, Mount Holly, New Bern, Newton, Oxford, Randleman, Roanoke Rapids, Rockingham, Sanford, Salisbury, Southport, Statesville, and Washington and the Towns of Ahoskie, Angier, Apex, Ayden, Benson, Bladenboro, Bridgeton, Burgaw, Calabash, Catawba, Clayton, Columbia, Columbus, Cramerton, Creswell, Dallas, Dobson, Four Oaks, Fuquay-Varina, Garner, Godwin, Granite Quarry, Green Level, Grimesland, Harrisburg, Holly Ridge, Holly Springs, Hookerton, Huntersville, Jamestown, Kenansville, Kenly, Knightdale, Landis, Leland, Lillington, Louisburg, Maggie Valley, Maiden, Mayodan, Maysville, Middlesex, Midland, Mocksville, Morrisville, Mount Pleasant, Nashville, Oak Island, Ocean Isle Beach, Pembroke, Pine Level, Princeton, Ranlo, Richlands, Rolesville, Rutherfordton, Shallotte, Siler City, Smithfield, Spencer, Stem, Stovall, Surf City, Swansboro, Taylorsville, Troutman, Troy, Wallace, Warsaw, Watha, Waynesville, Weldon, Wendell, Windsor, Yadkinville, and Zebulon.

SECTION 2. This act is effective when it becomes law.

AUTHORIZATION FOR SILER CITY ANNEXATION OF MEGASITE:

Local Bill to Exempt the Town of Siler City from §160A-58.1(b)(5)

Noncontiguous (Satellite) Annexation

- Satellite annexation is a form of voluntary annexation where the boundaries of the area under annexation consideration do not adjoin with the existing corporate boundaries of the local government to which annexation is sought
- Satellite annexations, like contiguous voluntary annexations, are typically desired by property owners to receive representation and city services, such as police, solid waste pick up, and road maintenance, or to receive city services at a reduced cost, such as water and sewer utilities
- §160A-58.1(b)(5): 10% Limitation
 - “The area within the proposed satellite corporate limits, when added to the area within all other satellite corporate limits, may not exceed ten percent (10%) of the area within the primary corporate limits of the annexing city”

Satellite Annexation Exemption

- §160A-58.1(b)(5) exempts named jurisdictions from the 10% limitation
- The list of exempted jurisdictions has been added to before and following recent annexation legislation reform
- The exempted jurisdictions listed are (99 in total):

Belmont	Claremont	ConcordConover	Durham
Elizabeth City	Gastonia	Greenville	Hickory
Kannapolis	Locust	Marion	Mount Airy
Mount Holly	New Bern	Newton	Oxford
Randleman	Roanoke Rapids	Rockingham	Sanford
Salisbury	Southport	Statesville	Washington
Ahoskie	Angier	Apex	Ayden
Benson	Bladenboro	Bridgeton	Burgaw
Calabash	Catawba	Clayton	Columbia
Columbus	Cramerton	Creswell	Dallas
Dobson	Four Oaks	Fuquay-Varina	Garner
Godwin	Granite Quarry	Green Level	Grimesland
Harrisburg	Holly Ridge	Holly Springs	Hookerton
Huntersville	Jamestown	Kenansville	Kenly
Knightdale	Landis	Leland	Lillington
Louisburg	Maggie Valley	Maiden	Mayodan
Maysville	Middlesex	Midland	Mocksville
Morrisville	Mount Pleasant	Nashville	Oak Island
Ocean Isle Beach	Pembroke	Pine Level	Princeton
Ranlo	Richlands	Rolesville	Rutherfordton
Shallotte	Smithfield	Spencer	Stem
Stovall	Surf City	Swansboro	Taylorsville
Troutman	Troy	Wallace	Warsaw
Watha	Waynesville	Weldon	Wendell
Windsor	Yadkinville	Zebulon	

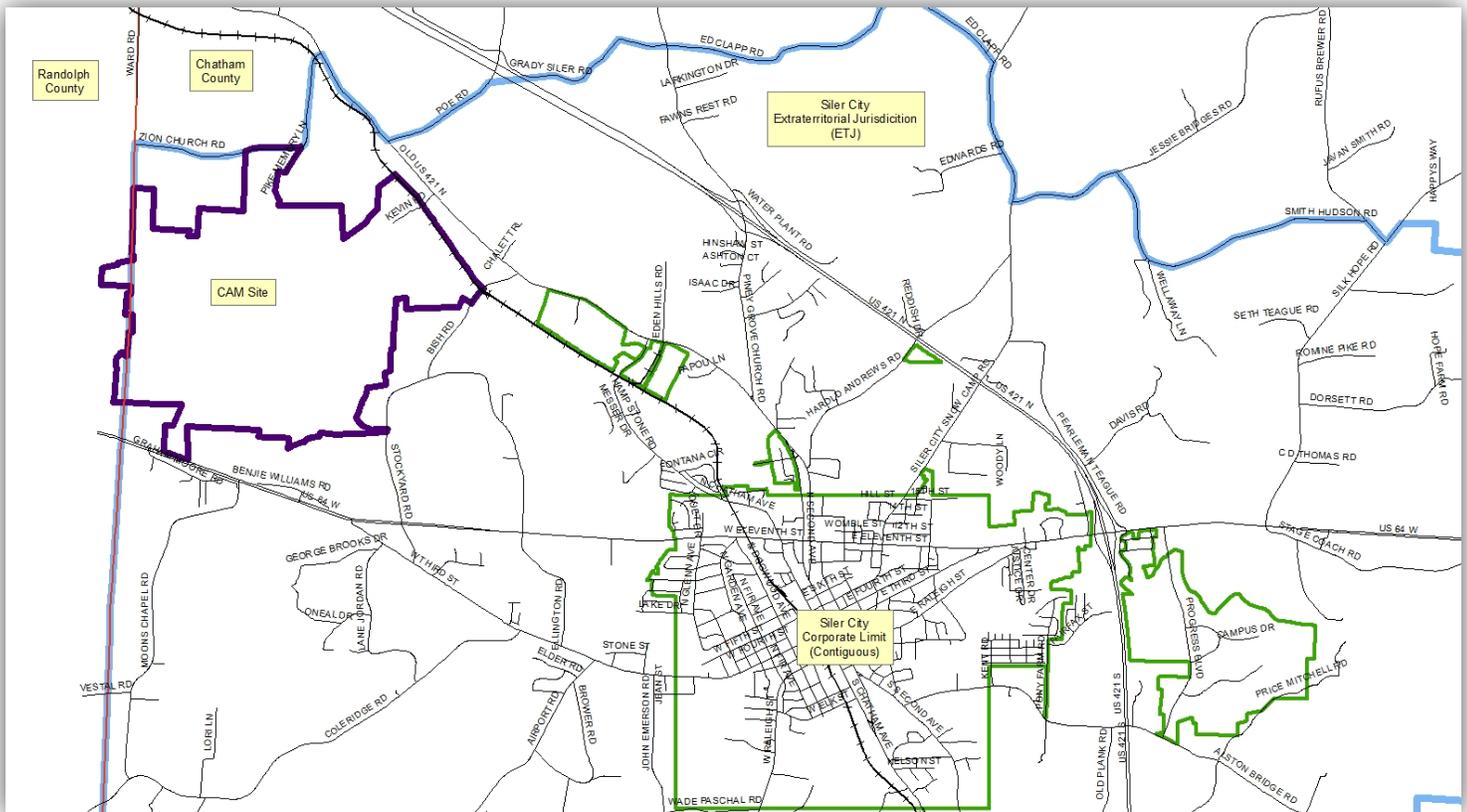
Annexation Reform

- Annexation reform taking shape over the past several years focuses, almost exclusively, on involuntary annexation
- Accordingly, aside from reorganization and two new subsections, which addresses issues of high poverty and distressed areas, recent annexation reform does not impose any greater limitations to voluntary annexation authority available to local government
- Similarly, local bills proposed to include additional jurisdictions to the list of communities exempted from the 10% satellite annexation limitation have not been obstructed by an annexation reform environment; this is likely owed to annexation reform’s focus on involuntary annexation and that satellite annexations are, by law, voluntary petitions

Siler City: Contiguous, Satellite and CAM Site

- Total Contiguously Incorporated Area 3,674 ACRES
- 10% (Statutory Limit to Noncontiguous Annexed Area) 367.5 ACRES
- Total Noncontiguous Annexed Area (current) 218.5 ACRES
- Remaining Balance Available for Noncontiguous Annexation 149.0 ACRES
- Chatham Advanced Manufacturing Site (CAM) Acreage 1,818 ACRES

Siler City Map: Contiguous, Satellite and CAM Site



Request for Exemption

- Chatham Advanced Manufacturing Site (CAM)
 - As a certified, shovel-ready site of choice for world-class competitiveness, the CAM Site has the ability to serve as a significant economic engine for the local, regional and state economies
 - The 10% limitation to noncontiguous annexation bars the Town's ability to bring the CAM Site into the Town's corporate limits
 - Augmenting and enhancing its affirmative characteristics advances the Site's interstate competitiveness
 - The Town's ability to voluntarily annex the CAM Site enables two primary advantages
 - *Empowers Siler City to participate with Chatham County in local tax incentives*
 - *Qualifies Siler City to offer the reduced "in-town" utility rates to manufacturing and other support interests located at the Site*

Proposed Local Bill

- The Town of Siler City seeks support from its legislators to introduce a local bill that exempts the Town from §160A-58.1(b)(5), which limits annexation of noncontiguous areas to 10% of total area contiguously incorporated
- The local bill will amend the subject statute by adding the Town of Siler City to the existing list of other jurisdictions exempted from §160A-58.1(b)(5), which is found in the same statute
- The language, as amended, will read:

§160A-58.1. Petition for annexation; standards.

(a) Upon receipt of a valid petition signed by all of the owners of real property in the area described therein, a city may annex an area not contiguous to its primary corporate limits when the area meets the standards set out in subsection (b) of this section. The petition need not be signed by the owners of real property that is wholly exempt from property taxation under the Constitution and laws of North Carolina, nor by railroad companies, public utilities as defined in G.S. 62-3(23), or electric or telephone membership corporations. A petition is not valid in any of the following circumstances:

- (1) It is unsigned.
- (2) It is signed by the city for the annexation of property the city does not own or have a legal interest in. For the purpose of this subdivision, a city has no legal interest in a State-maintained street unless it owns the underlying fee and not just an easement.
- (3) It is for the annexation of property for which a signature is not required and the property owner objects to the annexation.

(b) A noncontiguous area proposed for annexation must meet all of the following standards:

- (1) The nearest point on the proposed satellite corporate limits must be not more than three miles from the primary corporate limits of the annexing city.
- (2) No point on the proposed satellite corporate limits may be closer to the primary corporate limits of another city than to the primary corporate limits of the annexing city, except as set forth in subsection (b2) of this section.
- (3) The area must be so situated that the annexing city will be able to provide the same services within the proposed satellite corporate limits that it provides within its primary corporate limits.

(4) If the area proposed for annexation, or any portion thereof, is a subdivision as defined in G.S. 160A-376, all of the subdivision must be included.

(5) The area within the proposed satellite corporate limits, when added to the area within all other satellite corporate limits, may not exceed ten percent (10%) of the area within the primary corporate limits of the annexing city.

This subdivision does not apply to the Cities of Belmont, Claremont, Concord, Conover, Durham, Elizabeth City, Gastonia, Greenville, Hickory, Kannapolis, Locust, Marion, Mount Airy, Mount Holly, New Bern, Newton, Oxford, Randleman, Roanoke Rapids, Rockingham, Sanford, Salisbury, Southport, Statesville, and Washington and the Towns of Ahoskie, Angier, Apex, Ayden, Benson, Bladenboro, Bridgeton, Burgaw, Calabash, Catawba, Clayton, Columbia, Columbus, Cramerton, Creswell, Dallas, Dobson, Four Oaks, Fuquay-Varina, Garner, Godwin, Granite Quarry, Green Level, Grimesland, Harrisburg, Holly Ridge, Holly Springs, Hookerton, Huntersville, Jamestown, Kenansville, Kenly, Knightdale, Landis, Leland, Lillington, Louisburg, Maggie Valley, Maiden, Mayodan, Maysville, Middlesex, Midland, Mocksville, Morrisville, Mount Pleasant, Nashville, Oak Island, Ocean Isle Beach, Pembroke, Pine Level, Princeton, Ranlo, Richlands, Rolesville, Rutherfordton, Shallotte, **Siler City**, Smithfield, Spencer, Stem, Stovall, Surf City, Swansboro, Taylorsville, Troutman, Troy, Wallace, Warsaw, Watha, Waynesville, Weldon, Wendell, Windsor, Yadkinville, and Zebulon.

Contact Information

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Article 9A.

Special Assessments for Critical Infrastructure Needs.

§ 153A-210.1. Purpose; sunset.

(a) Purpose. - This Article enables counties that face increased demands for infrastructure improvements as a result of rapid growth and development to ~~issue revenue bonds payable from impose~~ special assessments ~~imposed as provided~~ under this Article on benefited property and to use the resulting revenues as provided in this Article. This Article supplements the authority counties have in Article 9 of this Chapter. The provisions of Article 9 of this Chapter apply to this Article, to the extent they do not conflict with this Article.

(a1) Purpose of Dam Repair. - The General Assembly finds that dam repair is a public purpose promoting flood control and public safety.

(b) Sunset. - This Article expires July 1, 2020. For projects authorized in G.S. 153A-210.2(a1), this Article expires July 1, 2019. The expiration does not affect the validity of assessments imposed or bonds issued or authorized under the provisions of this Article prior to the effective date of the expiration. (2008-165, s. 2; 2013-371, ss. 1(a), 3; 2014-89, ss. 1, 2.)

§ 153A-210.2. Assessments.

(a) Projects. - The board of commissioners of a county may make special assessments as provided in this Article against benefited property within the county for the purpose of financing assisting in arranging for payment of the capital costs of projects (i) for which project development financing debt instruments may be issued under G.S. 159-103 or (ii) for the purpose of ~~financing~~ the installation of distributed generation renewable energy sources or energy efficiency improvements that are permanently fixed to residential, commercial, industrial, or other real property.

(a1) Dam Repair Project. - The board of commissioners of a county may make special assessments as provided in this Article against property that is contiguous to a lake, and benefits from access to the same lake, for the purpose of repairing the dam of that lake. The provisions of this subsection only apply to a privately owned dam formerly used for textile mill purposes, forming a lake between 225 and 325 acres in area.

(b) Costs. - The board of commissioners must determine a project's total estimated cost and the amount of costs to be paid from assessments. In addition to the costs allowed under G.S. 153A-193, the costs may include any expenses allowed under G.S. 159-84 and expenses for administration of the assessments. A preliminary assessment roll may be prepared before the costs are incurred based on the estimated cost of the project.

(c) Method. - The board of commissioners must establish an assessment method that in the board's judgment, will most accurately assess each lot or parcel of land subject to the assessments according to the benefits conferred upon it by the project for which the assessment is made. In addition to other bases upon which assessments may be made under G.S. 153A-186, the board may select any other method designed to allocate the costs in accordance with benefits conferred. In doing so, the board may provide that the benefits conferred are measured on the basis of use being made on the lot or parcel of land and provide for adjustments of assessments upon a change in use, provided that the total amount of all assessments is sufficient to pay the portion of the costs of the project to be funded from assessments after the adjustments have been made. (2008-165, s. 2; 2008-187, s. 47.5(a); 2009-525, s. 1(a); 2013-371, ss. 1(b), 3; 2014-89, s. 3.)

§ 153A-210.3. Petition required.

(a) Petition. - The board of commissioners may not impose a special assessment under this Article unless it receives a petition for the project to be financed by the assessment signed

by (i) at least a majority of the owners of real property to be assessed and (ii) owners who represent at least sixty-six percent (66%) of the assessed value of all real property to be assessed. For purposes of determining whether the petition has been signed by a majority of owners, an owner who holds title to a parcel of real property alone shall be treated as having one vote each, and an owner who shares title to a parcel of real property with one or more other owners shall have a vote equal to one vote multiplied by a fraction, the numerator of which is one, and the denominator of which is the total number of owners of the parcel. For purposes of determining whether the assessed value represented by those signing the petition constitutes at least sixty-six percent (66%) of the assessed value of all real property to be assessed, an owner who holds title to a parcel of real property alone shall have the full assessed value of the parcel included in the calculation, and an owner who shares title to a parcel of real property with one or more other owners shall have their proportionate share of the full assessed value of the parcel included in the calculation. The petition must include the following:

- (1) A statement of the project proposed to be financed in whole or in part by the imposition of an assessment under this Article.
- (2) An estimate of the cost of the project.
- (3) An estimate of the portion of the cost of the project to be assessed.

(b) **Petition Withdrawn.** - The board of commissioners must wait at least 10 days after the public hearing on the preliminary assessment resolution before adopting a final assessment resolution. A petition submitted under subsection (a) of this section may be withdrawn if notice of petition withdrawal is given in writing to the board signed by at least a majority of the owners who signed the petition submitted under subsection (a) of this section representing at least fifty percent (50%) of the assessed value of all real property to be assessed. The board may not adopt a final assessment resolution if it receives a timely notice of petition withdrawal.

(c) **Validity of Assessment.** - No right of action or defense asserting the invalidity of an assessment on grounds that the county did not comply with this section may be asserted except in an action or proceeding begun within 90 days after publication of the notice of adoption of the preliminary assessment resolution. (2008-165, s. 2; 2013-371, ss. 1(c), 3.)

§ 153A-210.4. ~~Finaneing Funding~~ a project for which an assessment is imposed.

(a) ~~Finaneing Sources.~~ A ~~Funding Sources.~~ – In addition to funding from sources otherwise authorized for use by a board of commissioners in connection with a project, a board of commissioners may provide for the payment of all or a portion of the cost of a project for which an assessment may be imposed under this Article from one or more of the ~~finaneing funding~~ sources listed in this subsection. The assessment resolution must include the estimated cost of the project to be funded from assessments and the amount of the cost estimated to be derived from each respective ~~finaneing-funding~~ source.

- (1) Revenue bonds issued under G.S. 153A-210.6.
- (2) Project development financing debt instruments issued under the North Carolina Project Development Financing Act, Article 6 of Chapter 159 of the General Statutes.
- (3) General obligation bonds issued under the Local Government Bond Act, Article 4 of Chapter 159 of the General Statutes.
- (4) General revenues, including, without limitation, revenues from assessments imposed pursuant to this Article.
- (5) Funds from private or third parties.

(b) **Assessments Pledged.** - An assessment imposed under this Article may be pledged to secure revenue bonds under G.S. 153A-210.6 or as additional security for a project development financing debt instrument under G.S. 159-111. If an assessment imposed under this Article is pledged to secure financing, the board of commissioners must covenant to

enforce the payment of the assessments. The board of commissioners may pledge assessments imposed pursuant to this Article and Article 9 of this Chapter for the payment of costs of acquiring all or a portion of a project for which such assessments are imposed. (2008-165, s. 2; 2009-525, s. 1(b); 2013-371, s. 3.)

(c) Reimbursement from Assessments. If a board of commissioners contracts with a private or third party to construct a project on its behalf, as provided in G.S. 153A-210.7, the board of commissioners may agree to impose one or more assessments pursuant to this Article in order to reimburse such private or third party for costs incurred by the private or third party related to such project. If a board of commissioners contracts with a private or third party to construct a project, as provided in G.S. 153A-210.7, and imposes an assessment in order to reimburse the private or third party for the costs of the project, the board of commissioners must covenant to enforce the payment of the assessments.

§ 153A-210.5. Payment of assessments by installments.

An assessment imposed under this Article is payable in annual installments. The board of commissioners must set the number of annual installments, which may not be more than 25. The installments are due on the date that real property taxes are due. In the case of a development that is undertaken in phases, the board of commissioners may provide for abeyance of assessments as set forth in Article 9 of this Chapter. The abeyance may apply to any phase of the development, and in such event the annual installments will be deferred and begin on first annual installment payment date after the abeyance is terminated. (2008-165, s. 2; 2013-371, s. 3.)

§ 153A-210.6. Revenue bonds.

(a) Authorization. - A board of commissioners that imposes an assessment under this Article may issue revenue bonds under Article 5 of Chapter 159 of the General Statutes to finance the project for which the assessment is imposed and use the proceeds of the assessment imposed as revenues pertaining to the project.

(b) Modifications. - This Article specifically modifies the authority of a county to issue revenue bonds under Article 5 of Chapter 159 of the General Statutes by extending the authority in that Article to include a project for which an assessment may be imposed under this Article. In applying the provisions of Article 5, the following definitions apply:

- (1) Revenue bond project. - Defined in G.S. 159-81(3). The term includes projects for which an assessment is imposed under this Article.
- (2) Revenues. - Defined in G.S. 159-81(4). The term includes assessments imposed under this Article to finance a project allowed under this Article. (2008-165, s. 2; 2013-371, s. 3.)

§ 153A-210.7. Project implementation.

A county may act directly, through one or more contracts with other public agencies, through one or more contracts with private agencies, or by any combination thereof to implement the project ~~financed-funded~~ in whole or in part by the imposition of an assessment imposed under this Article and initial funding for the project may be provided by such public or private agencies. If no more than twenty-five percent (25%) of the estimated cost of a project is to be funded from the proceeds of general obligation bonds or general revenue (excluding assessments imposed pursuant to this article), a private agency that enters into a contract with a county for the implementation of all or part of the project is subject to the provisions of Article 8 of Chapter 143 of the General Statutes only to the extent specified in the contract. In the event any contract relating to construction a substantial portion of which is to be performed on

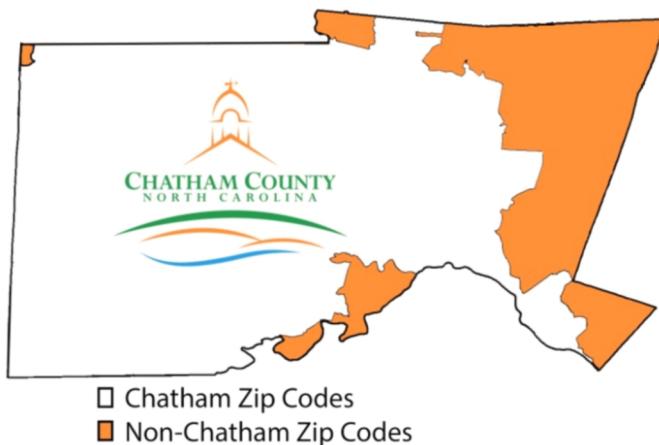
publicly owned property is excluded from the provisions of Article 8 of Chapter 143, the county or any trustee or fiduciary responsible for disbursing funds shall obtain certification acceptable to the county in the amount due for work done or materials supplied for which payment will be paid from such disbursement. If the county or any trustee or fiduciary responsible for disbursing funds receives notice of a claim from any person who would be entitled to a mechanic's or materialman's lien but for the fact that the claim relates to work performed on or supplies provided to publicly owned property, then either no disbursement of funds may be made until the county, trustee, or fiduciary receives satisfactory proof of resolution of the claim or funds in the amount of the claim shall be set aside for payment thereof upon resolution of the claim. (2009-525, s. 1(c); 2013-371, s. 3.)



CHATHAM COUNTY SALES TAX INFORMATION FOR NEW BUSINESSES

Chatham's Sales Tax Issue

Chatham County has major portions of the county where the street addresses have zip codes that are based in another county. See the map below showing areas of the county with a zip code that often misidentifies addresses as NOT being in Chatham County.



This zip code issue can be a two-fold problem:

Problem #1 - Delivered Goods: When people buy something for delivery to their Chatham homes or businesses, the sales tax is often incorrectly reported and assigned to another county. WHY? Because the business uses the buyer's five-digit zip code for sales tax, which is often inaccurate, instead of specifically asking the buyer to identify the county by name or using the buyer's full nine-digit zip code.

Problem #2 - In-Store Sales: For in-store sales, some Chatham County businesses incorrectly base their sales tax charges on their five-digit zip code or the town cited in their postal address, such as Chapel Hill or Apex. Both methods can incorrectly identify the sales location and sometimes these other counties have **HIGHER** sales tax rates.

Steps You Can Take

In-Store Sales: For items that you sell in Chatham County, make sure you charge the Chatham County sales tax rate, which is currently **6.75%**, and assign it to Chatham County when reporting revenues.

Delivered Goods: For any items you sell and deliver, the most accurate option is to ask the buyer to identify the county for the delivery location. Alternatively, the location's nine-digit zip code is more accurate than the five-digit zip code. Here is the link to look up nine-digit zip codes for addresses:

https://tools.usps.com/go/ZipLookupAction_input

Once you determine the correct county for the delivery, make sure you report it correctly to the NC Department of Revenue when remitting sales taxes.

For More Information:

Contact the Chatham County Manager's Office at 919-542-8258 or email us at sales.tax@chathamnc.org

Why the Sales Tax Issue Matters

- Five of the eight border counties have a **higher sales tax rate**, including two with the highest sales tax rates in the state, so you can help save your customers money
- Helping Chatham boost sales tax revenues reduces the pressure on other taxes and fees
- Bringing in our fair share of sales tax revenues will support programs and services that help businesses and the community, such as schools, law enforcement and economic development



An Important Sales Tax Issue Affecting Chatham County Residents

**Make sure you are buying in Chatham and paying the correct sales tax
Save money and increase revenues for county services!**

Sales tax should be based on where the goods are **delivered**. Chatham's sales tax rate of 6.75% is tied for **lowest** in North Carolina, so correct county designation is important and can save you money.

Five of the eight border counties have higher sales tax rates!

Vendors often use the 5-digit zip code to identify the county, but much of Chatham is covered by zip codes that **cross over** from other counties



 Areas where zip codes cross over from other counties

Which zip codes overlap into Chatham?

- 27330
- 27349
- 27355
- 27502
- 27514
- 27516
- 27517
- 27519
- 27523
- 27562
- 27713

What purchases can be affected?

- In-store purchases that you take home or have delivered to your home.
- Even stores located in Chatham can charge wrong sales tax
- Online purchases delivered to your home

Why this matters to you:

- Paying correct sales tax rate may save you money
 - 5 of 8 border counties have a higher sales tax rate and two are highest in the state
- Helping Chatham boost sales tax revenues reduces need to boost other taxes and fees.
- Bringing in our fair share of sales tax revenues will support:
 - Local schools
 - Law enforcement
 - Parks and recreation
 - Public libraries
 - Economic development

Sales Tax Calculation

	Correct	Incorrect
Price of item purchased	\$100.00	\$100.00
Sales tax	6.75	7.50
Total	\$106.75	\$107.50
Calculation:		
Sales tax/price (not total)	6.75/100	7.5/100
Sales Tax Rate	6.75%	7.50%

What you can do:

- Shop in Chatham County
- Make sure vendors are charging the correct sales tax rate of 6.75% and are assigning it to Chatham County
- Tell the vendor when they are charging the wrong rate

If you have any questions or concerns, contact the Chatham County Manager's Office at 919-542-8258 or email us at sales.tax@chathamnc.org



CHATHAM COUNTY COMMISSIONERS

Jim Crawford, Chairman
Diana Hales, Vice Chairman
Mike Cross
Karen Howard
Walter Petty

COUNTY MANAGER

Renee Paschal

P. O. Box 1809, Pittsboro, NC 27312-1809 • Phone: (919) 542-8200

Chatham County Board of Commissioners

A Resolution Supporting Prevention Partners Wellness Initiative

WHEREAS, North Carolina counties strive to create a healthy workforce environment for county employees and are responsible for providing public health services to citizens; and

WHEREAS, Prevention Partners builds healthier communities through products that guide schools, workplaces, hospitals and clinics to address the leading causes of preventable disease, such as tobacco use, poor nutrition, physical inactivity and obesity; and

WHEREAS, the Healthy Together NC campaign draws on a broad partnership crossing the public and private sectors to bring workplace health and wellness to hospitals, businesses, schools, government agencies, nonprofits, universities and more; and

WHEREAS, Prevention Partners has set a goal to build healthy workplaces across sectors in at least 10 organizations in all 100 counties of North Carolina by the year 2025; and

WHEREAS, improvement in the health of citizens will help counties by substantially reducing costs for providing public health services.

NOW, THEREFORE, BE IT RESOLVED that the Chatham County Board of Commissioners that County Commissioners fully supports the Healthy Together NC campaign and the outstanding work of our Board of Health to promote a healthy workplace.

ADOPTED by the Chatham County Board of Commissioners on March 7, 2016.

James Crawford, Chairman
Chatham County Board of Commissioners

ATTEST:

Lindsay K. Ray, Clerk to the Board
Chatham County Board of Commissioners



CHATHAM COUNTY COMMISSIONERS

Jim Crawford, Chairman
Diana Hales, Vice Chairman
Mike Cross
Karen Howard
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COUNTY MANAGER

Renee Paschal

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Chatham County Board of Commissioners

A Resolution Supporting the Connect NC Bond Act

WHEREAS, all counties in North Carolina have a mutual desire to improve and enhance the quality of life for all citizens; and

WHEREAS, the North Carolina Community College System is in need of new and renovated facilities to educate and prepare students and workers for the 21st century for the purpose of enhancing the economic attractiveness of North Carolina; and

WHEREAS, clean water and sewer systems are essential to protecting public health and safety and in supporting effective economic development; and

WHEREAS, our quality of life is greatly enhanced by having parks and public facilities that are accessible to children and seniors with disabilities; and

WHEREAS, financing these costs through a statewide bond is the most economical and affordable way to address these infrastructure needs; and

WHEREAS, the Connect NC Bond Act will provide funding for many critical needs facing North Carolina that will improve and enhance the quality of life in our communities, including grants and loans for local water and sewer systems and funds to improve facilities at Jordan Lake State Park.

NOW, THEREFORE, BE IT RESOLVED by the Chatham County Board of Commissioners that we fully support the Connect NC Bond Act and the benefits that it can bring to Chatham County. We encourage our residents to learn more about it before it is on the ballot March 15, 2016.

Adopted by the Chatham County Board of Commissioners on March 7, 2016.

James Crawford, Chairman
Chatham County Board of Commissioners

ATTEST:

Lindsay K. Ray, Clerk to the Board
Chatham County Board of Commissioners