

# TABLED

CHEROKEE COUNCIL HOUSE  
CHEROKEE, NORTH CAROLINA

Date: OCT 24 2022

ORDINANCE NO. 423 (2022)

*An ordinance to increase the short term rental privilege tax and to allocate funds to the Division of Commerce for tourism and tourism-based economic development.*

WHEREAS, Tribal Council is authorized and empowered to adopt laws and regulations for the general government of the Tribe, to govern the management of real and personal property held by the Tribe, and is vested with full power to enforce obedience to such laws and regulations as may be enacted by the Tribe (EBCI Charter and Governing Document § 23); and

WHEREAS, Cherokee Code (C.C.) § 105-30 imposes a short term rental privilege tax on the operators of hotels, motels, tourist homes, tourist camps, campgrounds, rental cabins, and similar type businesses and persons who rent private residences and cottages to transients; and

WHEREAS, C.C. § 105-31 sets the short term rental privilege tax rate at four percent (4 %), and C.C. § 105-33 allocates the collected funds to various Tribal programs; and

WHEREAS, the four percent (4%) tax rate is substantially below the rate imposed by surrounding cities and should be increased to better fund the Tribe's ; and

WHEREAS, the Tribe should increase its short term rental privilege tax rate to increase the tax dollars available to the Tribe's Commerce Division for economic development.

NOW THEREFORE BE IT ORDAINED by the Eastern Band of Cherokee Indians in Tribal Council assembled, at which a quorum is present, that C.C. § 105-31 and C.C. § 105-33 shall be amended to read as follows:

**Sec. 105-31. - Rate.**

- (a) The Privilege Tax rate for hotels, motels, tourist homes, residences and cottages under Subsections 105-30(1) shall be ~~four~~ seven percent of sales price for each room for every day or night it is rented.
- (b) The Privilege Tax rate for tourist camps and campgrounds under Subsections 105-30(1) shall be ~~four~~ seven percent of sales price for each site for every day or night it is rented.
- (c) The percentage rate of ~~four~~ seven percent of the sales price shall apply on sales starting at 12:01 a.m. in the morning of ~~March 1, 2018~~ January 2, 2023.

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2 **Sec. 105-33. - Use of funds.**  
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- 4 (a) All funds collected by the Eastern Band pursuant to this article shall be deposited promptly  
5 into a special bank account in the name of the Eastern Band in a bank designated by the  
6 Executive Committee, with the funds insured by the Federal Deposit Insurance Corporation.  
7
- 8 (b) Twenty-five percent of the one-half of the short-term privilege tax collected shall be  
9 deposited in the Cherokee Tribal Sanitation Budget, specifically sanitation to eliminate the  
10 solid waste user fee for households. This fund shall be disbursed in accordance with the  
11 annual budget adopted by the Tribal Council.  
12
- 13 (c) Fifty percent of the privilege tax collected shall be deposited in the ~~Travel & Promotion~~  
14 Commerce Division Budget. This fund shall be disbursed in accordance with the annual  
15 budget adopted by the Tribal Council for the purpose of promoting and improving EBCI  
16 brands, tourism and tourism-focused economic development. ~~Tourism and shall be used as~~  
17 ~~follows:~~  
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19 ~~(1) To promote the Tribe's bottled water program; and~~  
20  
21 ~~(2) To help fund events sponsored by the Tribe and held at the Cherokee fairgrounds and~~  
22 ~~other locations in Cherokee and for fairgrounds maintenance.~~  
23
- 24 (d) Three percent of the privilege tax collected shall be deposited in the Cultural Preservation  
25 Budget. This fund shall be disbursed in accordance with the annual budget adopted by the  
26 Tribal Council for the purposes of cultural preservation.  
27
- 28 (e) Three percent of the privilege tax collected shall be deposited in the Youth Sports Budget.  
29 This fund shall be disbursed in accordance with the annual budget adopted by the Tribal  
30 Council for the purposes of youth sports.  
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- 32 (f) Three percent of the privilege tax collected shall be deposited in the Health Transportation  
33 Budget. This fund shall be disbursed in accordance with the annual budget adopted by the  
34 Tribal Council for the purposes of travel to medical services.  
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- 36 (g) Three percent of the privilege tax collected shall be deposited in the Fuel Assistance Budget.  
37 This fund shall be disbursed in accordance with the annual budget adopted by the Tribal  
38 Council for the purposes of providing fuel.  
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- 40 (h) Thirteen percent of the privilege tax collected shall be deposited in the Tribal Recreation  
41 Program Budget. This fund shall be disbursed in accordance with the annual budget adopted  
42 by the Tribal Council for the purpose of providing Tribal recreation programs.  
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1 BE IT FINALLY RESOLVED that all resolutions that are inconsistent with this resolution are  
2 rescinded, and that this resolution shall become effective when ratified by the  
3 Principal Chief.  
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5 *Submitted by Chris McCoy, Secretary of Commerce.*