

GENERAL ASSEMBLY OF NORTH CAROLINA



Session 2007

Legislative Fiscal Note

BILL NUMBER: Senate Bill 1748 (First Edition)

SHORT TITLE: Chapel Hill Vehicle Registration.

SPONSOR(S): Senator Kinnaird

FISCAL IMPACT					
	Yes (X)	No ()	No Estimate Available ()		
	<u>FY 2008-09</u>	<u>FY 2009-10</u>	<u>FY 2010-11</u>	<u>FY 2011-12</u>	<u>FY 2012-13</u>
REVENUES					
Town of Chapel Hill	\$361,000	\$371,000	\$368,000	\$370,000	\$370,000
EXPENDITURES					
POSITIONS (cumulative):					
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: Town of Chapel Hill					
EFFECTIVE DATE: July 1, 2008					

BILL SUMMARY: Senate Bill 1748 is a local bill that authorizes the town of Chapel Hill to levy a total municipal vehicle tax of \$30 per year, half of which may be expended only for public transportation purposes. The bill also makes conforming changes to GS 20-97(b) and a conforming repeal of section 2 of SL 1991-392, as amended

ASSUMPTIONS AND METHODOLOGY: Senate Bill 1748 provides that the proceeds of the general municipal vehicle tax may be used by the Town of Chapel Hill for any lawful purpose. However, any levy in excess of \$15 per year may only be expended for public transportation purposes.

According to the NC Division of Motor Vehicles, there are approximately 36,000 vehicles currently registered in the Town of Chapel Hill. Assuming the full \$30 per vehicle is levied, the tax will generate approximately \$1,083,000 in FY2008-09. Currently, the town may levy a tax of \$20 per vehicle. This would generate approximately \$722,000 in FY2008-09. This would lead to a \$361,000 increase in expected revenue for FY2008-09. This number is grown using estimated North Carolina vehicle registrations as forecast by Moody’s Economy.com.

SOURCES OF DATA: NC Division of Motor Vehicles, Moody's Economy.com

TECHNICAL CONSIDERATIONS: None

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