

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2011

Legislative Fiscal Note

BILL NUMBER: House Bill 469 (First Edition)

SHORT TITLE: Additional Lumberton Occupancy Tax.

SPONSOR(S): Representatives Pierce, Graham, and Pridgen

<b>FISCAL IMPACT</b>					
	<b>Yes (X)</b>	<b>No ( )</b>	<b>No Estimate Available ( )</b>		
	<b><u>FY 2011-12</u></b>	<b><u>FY 2012-13</u></b>	<b><u>FY 2013-14</u></b>	<b><u>FY 2014-15</u></b>	<b><u>FY 2015-16</u></b>
<b>REVENUES</b>	<b>\$479,896</b>	<b>\$ 511,344</b>	<b>\$ 540,352</b>	<b>\$ 563,104</b>	<b>\$ 582,252</b>
<b>EXPENDITURES</b>					
<b>POSITIONS (cumulative):</b>					
<b>PRINCIPAL DEPARTMENT(S) &amp; PROGRAM(S) AFFECTED:</b> City of Lumberton					
<b>EFFECTIVE DATE:</b> This act is effective when it becomes law.					

**BILL SUMMARY:**

House Bill 469 amends Section 2 of Part IX of SL 1983-908, as amended, to authorize the Lumberton City Council to levy an additional room occupancy tax of up to (3%) three percent, as specified. The city may not levy the tax under subsection (a1) unless it also levies the (3%) three percent occupancy tax authorized under subsection (a) of this section.

**ASSUMPTIONS AND METHODOLOGY:**

The City of Lumberton currently levies a (3%) three percent room occupancy tax. House Bill 469 would allow the city to levy an additional (3%) three percent room occupancy tax. According to the North Carolina Department of State Treasurer, the City of Lumberton collected \$441,368 in occupancy tax revenues for Tax Year 2010. Assuming that doubling the tax rate would double the amount of occupancy tax collected, and growing by the leisure and hospitality portion of North Carolina’s Gross State Product, it’s estimated that an additional (3%) three percent occupancy tax would yield \$479,896 for FY11-12.

**SOURCES OF DATA:** North Carolina Department of State Treasurer; Moody’s Economy.com

**TECHNICAL CONSIDERATIONS:** None

**FISCAL RESEARCH DIVISION:** (919) 733-4910

**PREPARED BY:** Brian Slivka

**APPROVED BY:**

Lynn Muchmore, Director  
**Fiscal Research Division**

**DATE:** April 26, 2011



**Signed Copy Located in the NCGA Principal Clerk's Offices**