

# GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2015

## Legislative Fiscal Note

**BILL NUMBER:** House Bill 1056 (First Edition)  
**SHORT TITLE:** Yadkin Occupancy Tax Modification.  
**SPONSOR(S):** Representative Zachary

<b>FISCAL IMPACT</b>					
(\$ in millions)					
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> No Estimate Available					
	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21
<b>State Impact</b>					
General Fund Revenues:					
General Fund Expenditures:					
State Positions:					
<b>NET STATE IMPACT</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>
<b>Local Impact</b>					
Revenues:					
Expenditures:					
<b>NET LOCAL IMPACT</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>
<p><b>PRINCIPAL DEPARTMENT(S) &amp; PROGRAM(S) AFFECTED:</b> Town of Yadkinville; Yadkin County</p> <p><b>EFFECTIVE DATE:</b> This act becomes effective July 1, 2016.</p> <p><b>TECHNICAL CONSIDERATIONS:</b> None</p>					

**BILL SUMMARY:**

House Bill 1056 amends Section 2 of SL 2007-340 to change the jurisdiction of the Yadkin County District Y to that part of Yadkin County that is located outside of the Town of Jonesville (was, located outside of incorporated areas within the county). It requires the governing body of Yadkin County District Y and the Yadkin County Board of Commissioners to adopt any resolutions or modify any adopted resolutions to carry out the act.

The bill repeals Section 7 and 8 of SL 2007-340. Section 7 included provisions giving the Board of Commissioners for the Town of Yadkinville authority to levy a room occupancy tax of up to 6%. Section 8 concerned the adoption of a resolution creating the Yadkinville Tourism Development Authority. Also, it amends GS 160A-215 to remove Yadkinville from the scope of the statute, which concerns uniform provisions for room occupancy taxes.

**ASSUMPTIONS AND METHODOLOGY:**

House Bill 1056 would eliminate the 6% room occupancy tax the Town of Yadkinville is currently able to levy. Under the bill, the Town of Yadkinville would fall under Yadkin County District Y, which is the area located within Yadkin County outside of the Town of Jonesville. Therefore, occupancy tax collections that had been collected under the Town of Yadkinville’s 6% room occupancy tax would be collected under Yadkin County’s 6% room occupancy tax.

In FY 2013-14, the North Carolina Department of Revenue reports \$24,372.71 in occupancy taxes were collected in the Town of Yadkinville. Under House Bill 1056, that amount would be collected under the Yadkin County occupancy tax. The table pictured below shows the estimated impact of House Bill 1056 on occupancy tax collections in both Yadkin County and the Town of Yadkinville.

<b>House Bill 1056 Occupancy Tax Collections</b>		
<b>Fiscal Year</b>	<b>Yadkin County</b>	<b>Town of Yadkinville</b>
<b>2016-17</b>	\$27,100	-\$27,100
<b>2017-18</b>	\$28,400	-\$28,400
<b>2018-19</b>	\$29,500	-\$29,500
<b>2019-20</b>	\$30,500	-\$30,500
<b>2020-21</b>	\$31,400	-\$31,400

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

**TECHNICAL CONSIDERATIONS:** None

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**DATE:** May 23, 2016



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