

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2015

Legislative Fiscal Note

BILL NUMBER: Senate Bill 50 (Third Edition)
SHORT TITLE: Wilson County Occupancy Tax Modification.
SPONSOR(S): Senator Bryant

FISCAL IMPACT					
(\$ in millions)					
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> No Estimate Available					
	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
State Impact					
General Fund Revenues:					
General Fund Expenditures:					
State Positions:					
NET STATE IMPACT	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Local Impact					
Revenues:	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5
Expenditures:					
NET LOCAL IMPACT	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED:					
Wilson County					
EFFECTIVE DATE: Effective when it becomes law.					
TECHNICAL CONSIDERATIONS:					
None					

BILL SUMMARY:

Senate Bill 50 (Third Edition) would authorize an additional occupancy tax of up to 3%, for a total occupancy tax rate in Wilson County of 6%. Two-thirds of the tax proceeds would be distributed to the Wilson County TDA and used to promote travel and tourism in Wilson County. The bill provides that the remaining one-third would be distributed to the City of Wilson and used for tourism-related expenditures in Wilson County as approved in advance by the Wilson County TDA.

ASSUMPTIONS AND METHODOLOGY:

Wilson County currently levies a 3% room occupancy tax. Senate Bill 50 would allow the county to levy an additional 3% tax, bringing the total levy up to a 6% room occupancy tax. The most recent data available from the North Carolina Department of Revenue shows that occupancy tax

collections for 2010-11, under the current 3% rate, were \$427,523. Using the growth of the Travel and Leisure portion of North Carolina's Gross State Product, it's estimated that the 2015-16 occupancy tax collections for an additional 3% tax would yield \$463,741 in additional revenue for the county.

SOURCES OF DATA:

North Carolina Department of Revenue, Moody's Analytics

TECHNICAL CONSIDERATIONS: None

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DATE: July 15, 2015



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