

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2005

Legislative Fiscal Note

BILL NUMBER: House Bill 470 (First Edition)

SHORT TITLE: Transylvania Occupancy Tax.

SPONSOR(S): Representative Walend

FISCAL IMPACT					
	Yes (X)	No ()	No Estimate Available ()		
	<u>FY 2005-06</u>	<u>FY 2006-07</u>	<u>FY 2007-08</u>	<u>FY 2008-09</u>	<u>FY 2009-10</u>
REVENUES:					
General Fund		*No General Fund Impact*			
Transylvania Co.	\$206,865	\$208,934	\$211,023	\$213,133	\$215,264
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: Transylvania County					
EFFECTIVE DATE: Becomes effective when law.					

BILL SUMMARY:

This bill allows Transylvania County to increase its occupancy tax rate from 3% to 6%.

ASSUMPTIONS AND METHODOLOGY: In 2003-2004, the 3% room tax in Transylvania County raised \$202,793.

This bill doubles the rate to 6%. Historically, Transylvania County’s collections have been as follows:

Year	Amount	Each 1%
1998-99	194,342	64,781
1999-00	215,542	71,847
2000-01	206,849	68,950
2001-02	198,554	66,185
2002-03	201,162	67,054
2003-04	202,793	67,598

Extending this trend suggests the following increase in total occupancy tax revenue as a result of the bill:

Year	Amount	Each 1%
2005-06	206,865	68,955
2006-07	208,934	69,645
2007-08	211,023	70,341
2008-09	213,133	71,044
2009-10	215,264	71,755

SOURCES OF DATA: North Carolina Department of Revenue, North Carolina Department of State Treasurer

TECHNICAL CONSIDERATIONS: None

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Signed Copy Located in the NCGA Principal Clerk's Offices