

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2017

Legislative Fiscal Note

BILL NUMBER: House Bill 282 (First Edition)
SHORT TITLE: Yadkin Occupancy Tax Modification.
SPONSOR(S): Representative Zachary

| FISCAL IMPACT | | | | | |
|----------------------------|---|-----------------------------|--|--------------|--------------|
| (\$ in dollars) | | | | | |
| | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> No Estimate Available | | |
| | FY 2017-18 | FY 2018-19 | FY 2019-20 | FY 2020-21 | FY 2021-22 |
| 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: | | | | | |
| Expenditures: | | | | | |
| NET LOCAL IMPACT | \$0 | \$0 | \$0 | \$0 | \$0 |

PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: Yadkin County, Town of Yadkinville

EFFECTIVE DATE: This act becomes effective July 1, 2017.

TECHNICAL CONSIDERATIONS:
None

BILL SUMMARY:

House Bill 282 amends SL 2007-340 to re-define the borders of Yadkin County Taxing District Y as that part of Yadkin County located outside of the Town of Jonesville (currently the part of Yadkin County located outside of incorporated areas within the county). It directs 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 provisions of this act. The bill repeals SL 2007-340 sections 7 and 8, concerning the Yadkinville occupancy tax and amends GS 160A-215(g) to delete the town of Yadkinville from the list of cities to which the statute (uniform provisions for room occupancy tax) applies.

ASSUMPTIONS AND METHODOLOGY:

House Bill 282 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 282, that amount would be collected under the Yadkin County occupancy tax. The table pictured below shows the estimated impact of House Bill 282 on occupancy tax collections in both Yadkin County and the Town of Yadkinville.

| House Bill 282 Occupancy Tax Collections | | |
|---|----------------------|----------------------------|
| Fiscal Year | Yadkin County | Town of Yadkinville |
| 2017-18 | 28,400 | -28,400 |
| 2018-19 | 29,500 | -29,500 |
| 2019-20 | 30,700 | -30,700 |
| 2020-21 | 31,400 | -31,400 |
| 2021-22 | 32,500 | -32,500 |

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

TECHNICAL CONSIDERATIONS: None

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DATE: June 13, 2017



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