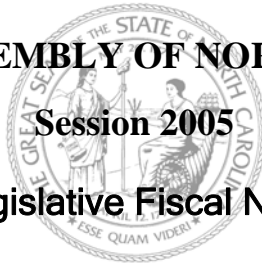


GENERAL ASSEMBLY OF NORTH CAROLINA



Session 2005

Legislative Fiscal Note

BILL NUMBER: Senate Bill 1431 (First Edition)

SHORT TITLE: Burgaw Occupancy Tax.

SPONSOR(S): Senator Soles

FISCAL IMPACT					
	Yes (X)	No ()	No Estimate Available ()		
	<u>FY 2006-07</u>	<u>FY 2007-08</u>	<u>FY 2008-09</u>	<u>FY 2009-10</u>	<u>FY 2010-11</u>
REVENUES:					
Town of Burgaw	\$6,570	\$6,773	\$6,929	\$7,088	\$7,251
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: Town of Burgaw					
EFFECTIVE DATE: Becomes effective when law.					

BILL SUMMARY:

Senate Bill 1431 authorizes the Town of Burgaw to levy a 3% room occupancy tax. Two-thirds of the proceeds would be used to promote travel and tourism and one-third would be used for tourism-related expenditures. This bill conforms to the guidelines supported by the North Carolina Travel and Tourism Coalition and adhered to by the House Finance Committee.

ASSUMPTIONS AND METHODOLOGY:

Based on information from Pender County, there is one motel in the Town of Burgaw. Assuming 25 rooms, an average rate of \$40 per night and a 60% occupancy rate, the 3% occupancy tax would generate approximately \$6,570 annually. The general rate for the Consumer Price Index is used to determine the rate of growth in the tax collections for future years.

SOURCES OF DATA:

Pender County

TECHNICAL CONSIDERATIONS: None

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DATE: May 31, 2006



Signed Copy Located in the NCGA Principal Clerk's Offices