

GENERAL ASSEMBLY OF NORTH CAROLINA



Session 2007

Legislative Fiscal Note

BILL NUMBER: Senate Bill 496 (First Edition)

SHORT TITLE: Perquimans County Occupancy Tax.

SPONSOR(S): Senator Jones

FISCAL IMPACT					
	Yes (x)	No ()	No Estimate Available ()		
	<u>FY 2007-08</u>	<u>FY 2008-09</u>	<u>FY 2009-10</u>	<u>FY 2010-11</u>	<u>FY 2011-12</u>
REVENUES:					
Perquimans County	\$27,594	\$28,173	\$28,765	\$29,398	\$30,074
EXPENDITURES:					
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: Perquimans County					
EFFECTIVE DATE: When bill becomes law					

BILL SUMMARY: Senate Bill 496 authorizes Perquimans County to levy a 6% occupancy tax. At least two-thirds of the proceeds would be used to promote travel and tourism and the remainder 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: County officials were unavailable to provide estimates for this analysis. According to the economic census there is one motel in the county. Assuming that there are 35 rooms, an average occupancy of 60% and an average room rate of \$60 a night we determined the base estimate. The figure was then grown using consumer price index estimates from Moody's to give this revenue stream:

Fiscal Year	Proposed 6% Tax	Each 1%
2007-08	\$27,594	\$9,198
2008-09	\$28,173	\$9,391
2009-10	\$28,765	\$9,588
2010-11	\$29,398	\$9,799
2011-12	\$30,074	\$10,025

SOURCES OF DATA: US Census Bureau and Moody's Economy.com

TECHNICAL CONSIDERATIONS: None

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