

GENERAL ASSEMBLY OF NORTH CAROLINA



Session 2007

Legislative Fiscal Note

BILL NUMBER: Senate Bill 384 (First Edition)

SHORT TITLE: Granville County Occupancy Tax Modifications.

SPONSOR(S): Senator Berger of Franklin

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					
General Fund	No Impact to General Fund				
Granville County	\$33,569	\$34,274	\$34,994	\$35,764	\$36,586
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: Granville County					
EFFECTIVE DATE: When bill becomes law					

BILL SUMMARY:

Amends SL 1993-454, as amended, to authorize the Granville County Board of Commissioners to levy an additional room occupancy tax of up to 1%. Provides that the tax must be levied, administered, collected, and repealed in the same way as the existing tax. Effective October 1, 2007, requires the Granville County Tourism Development Authority (Authority) to use at least two-thirds of the total occupancy tax proceeds for capital expenditures for tourism-related projects and the remainder to promote travel and tourism. Beginning October 1, 2014, the Authority must use at least two-thirds of the proceeds to promote travel and tourism in Granville County and the remainder for tourism-related expenditures.

ASSUMPTIONS AND METHODOLOGY:

Actual occupancy tax collections for Granville County in fiscal year 2004-05 were \$96,797. This was used as a base which was then grown out using Moody’s economy.com consumer price index to give the following revenue stream.

Fiscal Year	Current 3% Tax	Additional 1%
2007-08	\$ 100,708	\$33,569
2008-09	\$ 102,822	\$34,274
2009-10	\$ 104,982	\$34,994
2010-11	\$ 107,291	\$35,764
2011-12	\$ 109,759	\$36,586

SOURCES OF DATA: NC Dept. of State Treasurer, Moody’s Economy.com

TECHNICAL CONSIDERATIONS: None

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