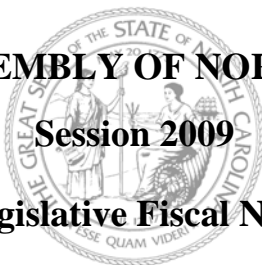


GENERAL ASSEMBLY OF NORTH CAROLINA



Session 2009

Legislative Fiscal Note

BILL NUMBER: House Bill 564 (First Edition)

SHORT TITLE: Wilson County Occupancy Tax Modification.

SPONSOR(S): Representatives Tolson and Farmer-Butterfield

FISCAL IMPACT					
	Yes ()	No (X)	No Estimate Available ()		
	<u>FY 2009-10</u>	<u>FY 2010-11</u>	<u>FY 2011-12</u>	<u>FY 2012-13</u>	<u>FY 2013-14</u>
REVENUES	**No Fiscal Impact Expected**				
EXPENDITURES					
POSITIONS (cumulative):					
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED:	Wilson County				
EFFECTIVE DATE:	This act is effective when it becomes law.				

BILL SUMMARY:

House Bill 564 amends SL 1988-484 to authorize that the Wilson County Board of Commissioners may levy (was, by resolution, after not less than 10 days' public notice and after a public hearing) a room occupancy tax of up to 3%. It removes the exemption from the occupancy tax for accommodations furnished by summer camps or by businesses that offer to rent no more than five units. The bill deletes existing provisions for levy collection, administration, penalties, and repeal of the tax and, instead, provides that those procedures be in accordance with GS 153A-155.

House Bill 564 provides for definitions and requires the Wilson County Tourism Development Authority (TDA) to use at least two-thirds of the funds remitted to it on a quarterly (was, monthly) basis to promote travel and tourism in Wilson County with the remainder used for tourism-related expenditures. It provides that at least one-third of the members of the TDA must be individuals affiliated with businesses that collect tax in the county and at least one-half be individuals active in the promotion of travel and tourism in the county. The bill increases the composition of the TDA to nine (was, seven) members. It deletes specified terms of office for TDA members and instead requires that the resolution levying the tax also provide for the members' terms of office and for filling vacancies. The bill amends reporting requirements to require quarterly reports, makes a

conforming change to GS 153-155(g), and repeals SL 1988-912 (making technical changes to the Wilson TDA)

ASSUMPTIONS AND METHODOLOGY:

House Bill 564 amends language to allow Wilson County to impose a room occupancy tax of up to 3%. Current law allows the county to impose a room occupancy tax of 3%. In FY08, the Wilson County TDA collected approximately \$420,000 in occupancy taxes. Using those collection amounts, for every 1% increase or decrease in Wilson County's occupancy tax rate, total collections will be impacted by approximately \$140,000.

SOURCES OF DATA: Wilson County

TECHNICAL CONSIDERATIONS: None

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DATE: May 19, 2009



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