



NORTH CAROLINA GENERAL ASSEMBLY

2023 Session

Legislative Fiscal Note

Short Title: Lansing and Jefferson Occ. Tax Authorization.
Bill Number: House Bill 220 (Second Edition)
Sponsor(s): Rep. Pickett

SUMMARY TABLE

FISCAL IMPACT OF H.B.220, V.1

	<u>FY 2023-24</u>	<u>FY 2024-25</u>	<u>FY 2025-26</u>	<u>FY 2026-27</u>	<u>FY 2027-28</u>
Local Impact					
Local Revenue					
Lansing Tourism Development Authority	16,000	16,000	17,000	17,000	18,000
Jefferson Tourism Development Authority	52,000	54,000	56,000	58,000	60,000
Less Local Expenditures	-	-	-	-	-
NET LOCAL IMPACT	68,000	70,000	73,000	75,000	78,000

FISCAL IMPACT SUMMARY

House Bill 220 would authorize the towns of Lansing and Jefferson to levy up to a 3% room occupancy tax. At least two-thirds of the proceeds would have to be used for tourism promotion and the remainder for tourism-related expenditures.

FISCAL ANALYSIS

Lansing town staff report there are currently 15 rooms for rent within town limits. The Fiscal Research Division (FRD) relied on this data, other information on occupancy rates, room costs, and adjusted for actual and forecasted changes in the leisure and hospitality industry. FRD estimates Lansing will collect approximately \$16,000 beginning in Fiscal Year 2023-24 at a 3% occupancy tax rate.

Jefferson town staff report there are 50 rooms for rent in town limits. Using the same method discussed above, it is estimated that the town would collect approximately \$52,000 in Fiscal Year 2023-24 room occupancy tax collections at a 3% rate.

LEGISLATIVE FISCAL NOTE – PURPOSE AND LIMITATIONS

This document is an official fiscal analysis prepared pursuant to Chapter 120 of the General Statutes and rules adopted by the Senate and House of Representatives. The estimates in this analysis are based on the data, assumptions, and methodology described in the Fiscal Analysis section of this document. This document only addresses sections of the bill that have projected direct fiscal impacts on State or local governments and does not address sections that have no projected fiscal impacts.

CONTACT INFORMATION

Questions on this analysis should be directed to the Fiscal Research Division at (919) 733-4910.

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