



NORTH CAROLINA GENERAL ASSEMBLY

2023 Session

Legislative Fiscal Note

Short Title: Town of Four Oaks Occ. Tax Authorization.
Bill Number: House Bill 240 (First Edition)
Sponsor(s): Rep. Strickland, Rep. White, and Rep. Penny

SUMMARY TABLE

FISCAL IMPACT OF H.B.240, 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	44,000	45,000	47,000	48,000	48,000
Less Local Expenditures	-	-	-	-	-
NET LOCAL IMPACT	44,000	45,000	47,000	48,000	48,000

FISCAL IMPACT SUMMARY

House Bill 240 would authorize the town of Four Oaks to levy up to a 2% 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

Four Oaks town staff report there are currently 63 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 Four Oaks will collect approximately \$44,000 beginning in Fiscal Year 2023-24 at a 2% occupancy tax rate.

TECHNICAL CONSIDERATIONS

N/A.

DATA SOURCES

Moody's Analytics; Town of Four Oaks.

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.

ESTIMATE PREPARED BY

Brent Lucas

ESTIMATE APPROVED BY

Brian Matteson, Director of Fiscal Research
Fiscal Research Division
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Signed copy located in the NCGA Principal Clerk's Offices