

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2005

Legislative Fiscal Note

BILL NUMBER: Senate Bill 407 (Third Edition)

SHORT TITLE: Cabarrus Local Acts.

SPONSOR(S): Senator Hartsell

FISCAL IMPACT					
	Yes (X)	No ()	No Estimate Available ()		
	<u>FY 2005-06</u>	<u>FY 2006-07</u>	<u>FY 2007-08</u>	<u>FY 2008-09</u>	<u>FY 2009-10</u>
REVENUES:					
General Fund					
					* No General Fund Impact *
Town of Kannapolis:					* See Assumptions and Methodology *
Town of Concord:					* See Assumptions and Methodology *
Town of Mount Pleasant:					* See Assumptions and Methodology *
Town of Harrisburg:					* See Assumptions and Methodology *
Town of Locust:					* See Assumptions and Methodology *
Town of Midland:					* See Assumptions and Methodology *
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: Towns of Kannapolis, Concord, Mount Pleasant, Harrisburg, Locust and Midland.					
EFFECTIVE DATE: Becomes effective when law.					

BILL SUMMARY:

Senate Bill 407 would authorize the municipalities located in Cabarrus County to levy a tax of up to \$20.00 per year upon any vehicle resident in the city or town. This authority, a city or town may, but is not required to, levy the tax, and the amount of the tax represents the maximum tax that may be levied. The bill requires that any funds generated by the tax in excess of \$5.00 be placed in a separate fund and used only for transportation uses within the municipality. The municipalities located wholly or in part in Cabarrus County are: Concord, Harrisburg, Kannapolis (part), Locust (part), Midland (part) and Mount Pleasant.

The bill would extend until June 30, 2006, the limitations on annexation in Cabarrus County.

ASSUMPTIONS AND METHODOLOGY:

Currently, cities and towns may levy a tax of not more than \$5.00 per year upon vehicles in the city or town. By local acts, the amount of the tax has been increased for several cities and towns. The proceeds of the tax may be used for any lawful purpose. This bill would authorize each municipality in Cabarrus County to levy a fee of up to \$20 dollars per vehicle. According to the Cabarrus County Tax Assessor’s Office, the following are the numbers of vehicles located in each municipality and the potential additional revenue available for each town if the maximum fee were levied:

Municipality	Number of Vehicles Registered	Potential Additional Revenue
Concord	53,666	\$804,990
Harrisburg	7,291	\$109,365
Kannapolis	26,912	\$403,680
Locust	2,500	\$37,500
Mount Pleasant	1,513	\$22,695
Midland	3,290	\$49,350

SOURCES OF DATA: Cabarrus County Tax Assessor

TECHNICAL CONSIDERATIONS: None

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