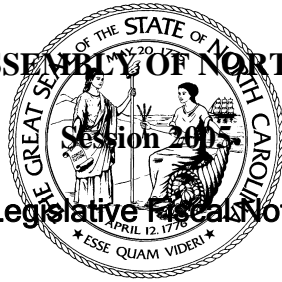


GENERAL ASSEMBLY OF NORTH CAROLINA



Legislative Fiscal Note

**BILL NUMBER:** Senate Bill 1506 (Second Edition)

**SHORT TITLE:** Additional St. Pauls Occupancy Tax.

**SPONSOR(S):** Senator Weinstein

FISCAL IMPACT					
	Yes (X)	No ( )	No Estimate Available ( )		
	<u>FY 2006-07</u>	<u>FY 2007-08</u>	<u>FY 2008-09</u>	<u>FY 2009-10</u>	<u>FY 2010-11</u>
<b>REVENUES:</b>					
Town of St. Pauls	\$11,388	\$11,741	\$12,011	\$12,287	\$12,569
<b>PRINCIPAL DEPARTMENT(S) &amp; PROGRAM(S) AFFECTED:</b> Town of St. Pauls					
<b>EFFECTIVE DATE:</b> Becomes effective when law.					

**BILL SUMMARY:** The PCS for SB1506 authorizes the Town of St. Pauls to levy an additional 2% room occupancy tax. Two-thirds of the proceeds would be used to promote travel and tourism and one-third would be used for tourism-related expenditures. This bill conforms to the guidelines supported by the North Carolina Travel and Tourism Coalition and adhered to by the House Finance Committee.

**ASSUMPTIONS AND METHODOLOGY:** The Town of St. Pauls has one hotel. It is estimated that the 2% occupancy tax would generate approximately \$11,000 annually. This estimate assumes 40 rooms with an average rate of \$65 per night and a 60% occupancy rate. The general Consumer Price Index is used to estimate growth in the tax for future years.

**SOURCES OF DATA:** NC Dept. of Commerce

**TECHNICAL CONSIDERATIONS:** None

**FISCAL RESEARCH DIVISION:** (919) 733-4910

**PREPARED BY:** Rodney Bizzell

**APPROVED BY:** Lynn Muchmore, Director  
Fiscal Research Division



**DATE:** June 2, 2006

Signed Copy Located in the NCGA Principal Clerk's Offices