

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2013

Legislative Fiscal Note

BILL NUMBER: House Bill 493 (First Edition)

SHORT TITLE: Robbinsville Occupancy Tax.

SPONSOR(S): Representative West

| FISCAL IMPACT | | | | | | |
|--|---|-----------------|-----------------------------|-----------------|--|--|
| | <input checked="" type="checkbox"/> Yes | | <input type="checkbox"/> No | | <input type="checkbox"/> No Estimate Available | |
| | FY 2013-14 | FY 2014-15 | FY 2015-16 | FY 2016-17 | FY 2017-18 | |
| Local Impact | | | | | | |
| Revenues: | \$33,499 | \$35,622 | \$37,753 | \$39,567 | \$41,021 | |
| Expenditures: | | | | | | |
| NET LOCAL IMPACT | \$33,499 | \$35,622 | \$37,753 | \$39,567 | \$41,021 | |
| <p>PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: Town of Robbinsville Robbinsville Tourism Development Authority</p> <p>EFFECTIVE DATE: This act is effective when it becomes law.</p> <p>TECHNICAL CONSIDERATIONS: None</p> | | | | | | |

BILL SUMMARY:

House Bill 493 authorizes the Robbinsville Town Council to levy a room occupancy tax of up to 3%. It provides that the tax must be levied, administered, collected, and repealed as provided in GS 160A-215 (uniform provisions for room occupancy taxes). The bill requires the Robbinsville Tourism Development Authority (TDA) to use at least two-thirds of the occupancy tax proceeds to promote travel and tourism in the town and the remainder for tourism-related expenditures. It mandates that at least one-third of the members of the TDA must be affiliated with businesses that collect the tax in the town and at least one-half must be currently active in the town's travel and tourism promotion. And the bill makes conforming changes to GS 106A-215.

ASSUMPTIONS AND METHODOLOGY:

The Graham County Finance Office calculates that \$31,135 in Graham County occupancy tax revenue was collected for fiscal year 2011-12 within the city of Robbinsville. The Graham County occupancy tax rate is currently at 3%, equal to that of the Robbinsville occupancy tax proposed

under House Bill 493. The estimated fiscal year impact takes into account North Carolina leisure and hospitality growth factors as estimated by Moody's.

SOURCES OF DATA: Graham County Finance Office; Moody's Economy.com

TECHNICAL CONSIDERATIONS: None

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DATE: June 5, 2013



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