

# GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2015

## Legislative Fiscal Note

**BILL NUMBER:** House Bill 504 (Second Edition)

**SHORT TITLE:** Moore County Occupancy Tax Increase.

**SPONSOR(S):** Representatives Boles and McNeill

<b>FISCAL IMPACT</b>					
(\$ in millions)					
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> No Estimate Available					
	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
<b>State Impact</b>					
General Fund Revenues:					
General Fund Expenditures:					
State Positions:					
<b>NET STATE IMPACT</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>
<b>Local Impact</b>					
Revenues:	\$1.1	\$1.5	\$1.6	\$1.7	\$1.7
Expenditures:					
<b>NET LOCAL IMPACT</b>	<b>\$1.1</b>	<b>\$1.5</b>	<b>\$1.6</b>	<b>\$1.7</b>	<b>\$1.7</b>
<b>PRINCIPAL DEPARTMENT(S) &amp; PROGRAM(S) AFFECTED:</b> Moore County					
<b>EFFECTIVE DATE:</b> This act is effective when it becomes law.					
<b>TECHNICAL CONSIDERATIONS:</b>					
None					

**BILL SUMMARY:**

House Bill 504 would authorize Moore County to levy an additional room occupancy tax of three percent (3%) and makes a technical change. The bill conforms to the Guidelines for Occupancy Tax adopted by the House Finance Committee.

**ASSUMPTIONS AND METHODOLOGY:**

Moore County currently has the ability to levy a three percent (3%) room occupancy tax. House Bill 504 would allow Moore County to levy an additional three percent (3%) room occupancy tax, for a total county room occupancy tax of six percent (6%).

According to the North Carolina Department of Revenue, the county averaged \$1.4 million in occupancy tax collections for FY2012-13 and FY2013-14. Assuming the new six percent (6%)

room occupancy tax is in effect beginning in October 2015, it's estimated that Moore County would collect an additional \$1.1 Million in occupancy tax revenue in FY2015-16. That additional revenue would increase to \$1.5 Million, which would be a full fiscal year impact, beginning in FY2016-17.

**SOURCES OF DATA:** North Carolina Department of Revenue, Moody's Analytics

**TECHNICAL CONSIDERATIONS:** None

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

**PREPARED BY:** Brian Slivka

**APPROVED BY:**

Mark Trogdon, Director  
**Fiscal Research Division**

**DATE:** August 10, 2015



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