



NORTH CAROLINA GENERAL ASSEMBLY

Session 2021

Legislative Fiscal Note

Short Title: Yancey County Occupancy Tax Increase.
Bill Number: House Bill 397 (First Edition)
Sponsor(s): Representative Pless

SUMMARY TABLE

FISCAL IMPACT OF H.B.397, V.1					
	<u>FY 2021-22</u>	<u>FY 2022-23</u>	<u>FY 2023-24</u>	<u>FY 2024-25</u>	<u>FY 2025-26</u>
Local Impact					
Local Revenue	77,000	95,000	106,000	110,000	113,000
Less Local Expenditures	-	-	-	-	-
NET LOCAL IMPACT	\$77,000	\$95,000	\$106,000	\$110,000	\$113,000

FISCAL IMPACT SUMMARY

House Bill 397 would authorize Yancey County to levy an additional 3% room occupancy tax, for a total of 6%. At least two-thirds of the proceeds would have to be used for tourism promotion and the remainder for tourism-related expenditures.

FISCAL ANALYSIS

Yancey County currently levies a 3% room occupancy tax. In FY 2017-18, the County collected \$97,295 in room occupancy taxes. Based on growth rates, from Moody's Analytics, in the Leisure and Hospitality portion of North Carolina's GSP, Yancey County would collect approximately \$77,000 in additional occupancy taxes in FY 2021-22 under a 6% combined room occupancy tax rate.

TECHNICAL CONSIDERATIONS

N/A.

DATA SOURCES

MOODY'S ANALYTICS; NORTH CAROLINA DEPARTMENT OF REVENUE

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.

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