

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2011

Legislative Fiscal Note

BILL NUMBER: House Bill 96 (Second Edition)

SHORT TITLE: Addl. Alleghany/Jackson OT.

SPONSOR(S): Representative Stevens

<b>FISCAL IMPACT</b>					
	<b>Yes (X)</b>	<b>No ( )</b>	<b>No Estimate Available ( )</b>		
	<b><u>FY 2011-12</u></b>	<b><u>FY 2012-13</u></b>	<b><u>FY 2013-14</u></b>	<b><u>FY 2014-15</u></b>	<b><u>FY 2015-16</u></b>
<b>REVENUES</b>					
Alleghany County	\$42,669	\$45,465	\$48,044	\$50,067	\$51,770
Jackson County	\$386,071	\$411,370	\$434,707	\$453,011	\$468,415
<b>EXPENDITURES</b>					
<b>POSITIONS (cumulative):</b>					
<b>PRINCIPAL DEPARTMENT(S) &amp; PROGRAM(S) AFFECTED:</b> Alleghany County, Jackson County					
<b>EFFECTIVE DATE:</b> This act is effective when it becomes law.					

**BILL SUMMARY:**

House Bill 96 authorizes Alleghany County to levy an additional (3%) three percent room occupancy and tourism development tax. The bill details the authorization of the additional tax, administration of the tax, distribution, and use of tax revenues, and creation of the Alleghany County Tourism Development Authority (Tourism Authority). It details membership, duties, and reporting requirements of the Tourism Authority.

Also, House Bill 96 authorizes Jackson County to levy an additional (3%) three percent room occupancy tax to provide as follows. The bill details the additional room occupancy tax, authorization of additional tax, administration of the tax, distribution, and use of tax revenues, and creation of the Jackson County Tourism Development Authority (Tourism Authority). It details membership, duties, and reporting requirements of the Tourism Authority.

**ASSUMPTIONS AND METHODOLOGY:**

Alleghany County currently levies a (3%) three percent room occupancy tax. According to the North Carolina Department of State Treasurer, the county collected \$37,509 in occupancy taxes for tax year 2010. Assuming the county continues to collect occupancy taxes at that level, and grown by the leisure and hospitality portion of Gross State Product, it's estimated that an additional (3%) three percent room occupancy tax would yield an additional \$42,669 in FY11-12 for the county.

Jackson County currently levies a (3%) three percent room occupancy tax. According to the County Manager's Office, the county has budgeted \$366,047 in occupancy tax revenues for FY10-11. Assuming the county continues to collect occupancy taxes at that level, and grown by the leisure and hospitality portion of Gross State Product, it's estimated that an additional (3%) three percent room occupancy tax would yield an additional \$386,071 in FY11-12 for the county.

**SOURCES OF DATA:** North Carolina Department of State Treasurer; Moody's Economy.com, Jackson County Manager's Office

**TECHNICAL CONSIDERATIONS:** None

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**DATE:** June 9, 2011



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