

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2017

Legislative Fiscal Note

BILL NUMBER: House Bill 429 (First Edition)

SHORT TITLE: City of Saluda Occupancy Tax.

SPONSOR(S): Representative Henson

FISCAL IMPACT					
(\$ in millions)					
	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> No Estimate Available		
	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
State Impact					
General Fund Revenues:					
General Fund Expenditures:					
State Positions:					
NET STATE IMPACT	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Local Impact					
Revenues:					
Expenditures:					
NET LOCAL IMPACT	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: City of Saluda					
EFFECTIVE DATE: This act is effective when it becomes law.					
TECHNICAL CONSIDERATIONS:					
None					

BILL SUMMARY:

House Bill 429 would create a special taxing district consisting of the part of the City of Saluda that is located in Polk County and would authorize that special taxing district to levy a 3% room occupancy tax. The proceeds must be remitted to a Tourism Development Authority and must be used as follows: at least two-thirds for tourism promotion and the remainder for tourism-related expenditures. The bill conforms to the Occupancy Tax Guidelines established by the House Finance Committee.

ASSUMPTIONS AND METHODOLOGY:

The Fiscal Research Division was unable to determine the number of hotels and hotel rooms that are currently present in the part of the City of Saluda that is located in Polk County. For comparison sake, Columbus and Tryon are also located in Polk County and each currently has a

3% occupancy tax. For each municipality, that tax generated approximately \$18,000 in occupancy tax collections in FY13-14.

SOURCES OF DATA: Moody's Economy.com; Legislative Bill Analysis

TECHNICAL CONSIDERATIONS: None

FISCAL RESEARCH DIVISION: (919) 733-4910

PREPARED BY: Brian Slivka

APPROVED BY:

Mark Trogdon, Director
Fiscal Research Division

DATE: June 13, 2017



Signed Copy Located in the NCGA Principal Clerk's Offices