

GENERAL ASSEMBLY OF NORTH CAROLINA



Session 2009

Legislative Fiscal Note

**BILL NUMBER:** House Bill 956 (First Edition)

**SHORT TITLE:** Additional Rockingham County Occupancy Tax.

**SPONSOR(S):** Representative Cole

<b>FISCAL IMPACT</b>					
	<b>Yes (X)</b>	<b>No ( )</b>	<b>No Estimate Available ( )</b>		
	<b><u>FY 2009-10</u></b>	<b><u>FY 2010-11</u></b>	<b><u>FY 2011-12</u></b>	<b><u>FY 2012-13</u></b>	<b><u>FY 2013-14</u></b>
<b>REVENUES</b>					
Rockingham County	\$54,137	\$56,678	\$60,995	\$64,909	\$67,561
<b>PRINCIPAL DEPARTMENT(S) &amp; PROGRAM(S) AFFECTED:</b> Rockingham County					
<b>EFFECTIVE DATE:</b> Effective when bill becomes law					

**BILL SUMMARY:**

Amends Chapter 322 of the 1991 Session Laws as amended to authorize the Rockingham County Board of Commissioners to levy an additional one-percent room occupancy tax  
*Source: Bill Digest H.B. 956 (03/31/0200).*

**ASSUMPTIONS AND METHODOLOGY:**

Rockingham County currently has a maximum occupancy tax of 3%. House Bill 596 would allow the County to levy an addition 1%, for a combined 4% local room occupancy tax.

According to Rockingham County, FY08-09 local occupancy tax collections were about \$163,000 at the current 3% rate. Assuming a base of \$5,433,333, an additional 1% room occupancy tax would have raised \$54,333 in FY08-09. Those collections were then grown using North Carolina's leisure and hospitality growth rates as projected by Moody's Economy.com.

**SOURCES OF DATA:** Rockingham County, Moody's Economy.com

**TECHNICAL CONSIDERATIONS:** None

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

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**DATE:** July 27, 2009



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