

# GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2015

## Legislative Fiscal Note

**BILL NUMBER:** Senate Bill 50 (Second Edition)  
**SHORT TITLE:** Wilson County Occupancy Tax Modification.  
**SPONSOR(S):** Senator Bryant

<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:	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5
Expenditures:					
<b>NET LOCAL IMPACT</b>	<b>\$0.5</b>	<b>\$0.5</b>	<b>\$0.5</b>	<b>\$0.5</b>	<b>\$0.5</b>
<b>PRINCIPAL DEPARTMENT(S) &amp; PROGRAM(S) AFFECTED:</b>					
Wilson County					
<b>EFFECTIVE DATE:</b> Effective when it becomes law.					
<b>TECHNICAL CONSIDERATIONS:</b>					
None					

**BILL SUMMARY:**

Senate Bill 50 (Second Edition) amends Chapter 484 of the 1987 Session Laws, as amended, to allow the Wilson County Board of Commissioners to levy an additional room occupancy tax of up to 3%. It requires the county to remit the proceeds of the initial occupancy tax to the Wilson County Tourism Development Authority (Authority) monthly (was, quarterly) and requires that one-third of the proceeds of the additional occupancy tax be remitted monthly to the Authority with the remaining two-thirds remitted to the City of Wilson.

The bill increases the amount of occupancy tax collections that must be used to promote travel and tourism in the county from two-thirds to seven-eighths. It requires the city to use at least one-fourth of the funds remitted to it to promote travel and tourism in the county and the remainder for tourism-related expenditures in the county that have been specifically approved in advance by the

Authority. Also, it requires the city to report quarterly and at the end of the fiscal year to the Authority.

**ASSUMPTIONS AND METHODOLOGY:**

Wilson County currently levies a 3% room occupancy tax. Senate Bill 50 would allow the county to levy an additional 3% tax, bringing the total levy up to a 6% room occupancy tax. The most recent data available from the North Carolina Department of Revenue shows that occupancy tax collections for 2010-11, under the current 3% rate, were \$427,523. Using the growth of the Travel and Leisure portion of North Carolina's Gross State Product, it's estimated that the 2015-16 occupancy tax collections for an additional 3% tax would yield \$463,741 in additional revenue for the county.

**SOURCES OF DATA:**

North Carolina Department of Revenue, Moody's Analytics

**TECHNICAL CONSIDERATIONS:** None

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**DATE:** June 7, 2015



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