



# NORTH CAROLINA GENERAL ASSEMBLY

2023 Session

## Legislative Fiscal Note

---

**Short Title:** Swain County Occupancy Tax Rate Increase.  
**Bill Number:** Senate Bill 120 (First Edition)  
**Sponsor(s):** Sen. Kevin Corbin

### SUMMARY TABLE

---

#### FISCAL IMPACT OF S.B. 120, V.1 (\$ in millions)

	<u>FY 2023-24</u>	<u>FY 2024-25</u>	<u>FY 2025-26</u>	<u>FY 2026-27</u>	<u>FY 2027-28</u>
<b>Local Impact</b>					
Local Revenue	1.1	1.1	1.2	1.2	1.3
Less Local Expenditures	-	-	-	-	-
<b>NET LOCAL IMPACT</b>	<b>1.1</b>	<b>1.1</b>	<b>1.2</b>	<b>1.2</b>	<b>1.3</b>

### FISCAL IMPACT SUMMARY

---

Senate Bill 120 would authorize Swain County to levy an additional 2% room occupancy tax. At least two-thirds of the proceeds would have to be used for tourism promotion and the remainder for tourism-related expenditures.

### FISCAL ANALYSIS

---

Swain County currently levies a 4% occupancy tax. Fiscal Research used the county's occupancy tax collections during Fiscal Year 2020-21 and adjusted it for actual and forecasted changes in the leisure and hospitality industry to determine the fiscal impact. It is estimated that the tax would generate an additional \$1.1 million in Fiscal Year 2023-24 room occupancy tax collections with the additional 2% rate.

### TECHNICAL CONSIDERATIONS

---

N/A.

### DATA SOURCES

---

MOODY'S ANALYTICS; N.C. 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.

## **ESTIMATE PREPARED BY**

---

Brent Lucas

## **ESTIMATE APPROVED BY**

---

Brian Matteson, Director of Fiscal Research  
Fiscal Research Division  
June 19, 2023



**Signed copy located in the NCGA Principal Clerk's Offices**