



NORTH CAROLINA GENERAL ASSEMBLY

2023 Session

Legislative Fiscal Note

Short Title: Warren County Occupancy Tax.
Bill Number: House Bill 69 (Second Edition)
Sponsor(s): Rep. Wray

SUMMARY TABLE

FISCAL IMPACT OF H.B.69, V.2

	<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>
Local Impact					
Local Revenue	49,000	51,000	53,000	54,000	56,000
Less Local Expenditures	-	-	-	-	-
NET LOCAL IMPACT	49,000	51,000	53,000	54,000	56,000

FISCAL IMPACT SUMMARY

House Bill 69 would authorize Warren County to levy a 5% 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

The North Carolina Department of Commerce reports approximately \$770,000 in annual sales from businesses in the Traveler Accommodation and Recreational Vehicle Park NAICS industry groups located in Warren County. Assuming these annual sales are primarily made up of room and campground rentals, it's estimated that Warren County would collect \$49,000 in FY 2023-24 room occupancy tax collections at a 5% rate.

TECHNICAL CONSIDERATIONS

Warren County staff report there is a proposal for a 70-room hotel to be constructed along Interstate 85. Because it is uncertain if and when this would be completed, any potential revenues from this hotel are not included in the estimate.

DATA SOURCES

Moody's Analytics; N.C. Department of Commerce; Warren County, NC.

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.

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Signed copy located in the NCGA Principal Clerk's Offices