



NORTH CAROLINA GENERAL ASSEMBLY

2023 Session

Legislative Fiscal Note

Short Title: Yancey County Occupancy Tax Increase.
Bill Number: Senate Bill 162 (First Edition)
Sponsor(s): Sen. Ralph Hise

SUMMARY TABLE

	FISCAL IMPACT OF S.B.162, V.1				
	<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	385,000	400,000	415,000	428,000	440,000
Less Local Expenditures	-	-	-	-	-
NET LOCAL IMPACT	385,000	400,000	415,000	428,000	440,000

FISCAL IMPACT SUMMARY

Senate Bill 162 would authorize Yancey County to levy an additional 3% 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

Yancey County currently levies a 3% occupancy tax for both the incorporated and unincorporated areas in the county. Fiscal Research used Yancey 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 Authority would collect an additional \$385,000 in Fiscal Year 2023-24 room occupancy tax collections at an additional 3% rate.

TECHNICAL CONSIDERATIONS

N/A.

DATA SOURCES

Moody's Analytics; N.C. Department of Revenue; Yancey County staff.

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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