



NORTH CAROLINA GENERAL ASSEMBLY

2023 Session

Legislative Fiscal Note

Short Title: Iredell County Occupancy Tax Modifications.
Bill Number: Senate Bill 255 (First Edition)
Sponsor(s): Sen. Vickie Sawyer

SUMMARY TABLE

FISCAL IMPACT OF S.B. 255, 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>
Local Impact					
Local Revenue	2.7	2.8	2.9	3.0	3.1
Less Local Expenditures	-	-	-	-	-
NET LOCAL IMPACT	2.7	2.8	2.9	3.0	3.1

FISCAL IMPACT SUMMARY

Iredell County currently has authority to levy a county-wide occupancy tax, but it does not. The bill repeals the current authorization and creates Iredell County District I, consisting of the unincorporated areas of Iredell County, and authorizes it to levy up to a 6% occupancy tax. At least two-thirds of the proceeds from each tax would have to be used for tourism promotion and the remainder for tourism-related expenditures.

FISCAL ANALYSIS

Iredell County staff report there are currently 480 rooms for rent within the unincorporated areas of the county. Using this data and adjusting for actual and forecasted changes in the leisure and hospitality industry, FRD estimates Iredell County District I will collect approximately \$2.7 million in Fiscal Year 2023-24 at a 6% occupancy tax rate.

TECHNICAL CONSIDERATIONS

N/A.

DATA SOURCES

Iredell County Staff; Moody's Analytics; N.C. Department of Commerce.

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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