

**NORTH CAROLINA GENERAL ASSEMBLY
LEGISLATIVE FISCAL NOTE**

BILL NUMBER: Senate Bill 585
SHORT TITLE: Lumberton, Shelby Room Tax Change
SPONSOR(S): Proposed Committee Substitute

FISCAL IMPACT					
	Yes (X)	No ()	No Estimate Available ()		
	<u>FY 1997-98</u>	<u>FY 1998-99</u>	<u>FY 1999-00</u>	<u>FY 2000-01</u>	<u>FY 2001-02</u>
REVENUES					
Lumberton					
Shelby					
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED:					
EFFECTIVE DATE: When it becomes law.					

BILL SUMMARY:

The proposed act increases the occupancy tax for the city of Lumberton from 3% to 6%. The act does not change the current uniform provisions under Chapter 1028 of the 1983 Session Laws. The administrative provisions are codified under this act.

The city of Shelby is authorized to levy a 3% occupancy tax after a majority of the citizens of the city have voted in favor of the tax.

ASSUMPTIONS AND METHODOLOGY:

Lumberton: Under the current tax rate, the revenue for fiscal year 1995-96 was \$341,000. The maximum gain in revenue expected for budgetary purposes for fiscal year 1997-98 is \$350,000. The Finance Officer for the City of Lumberton provided the revenue information.

Shelby: The City Manager of the City of Shelby provided information as the amount of tax expected from the application of a 3% occupancy tax.

FISCAL RESEARCH DIVISION

733-4910

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DATE: May 8, 1997



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