

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. NO.: 2515-01  
BILL NO.: Perfected SB 724  
SUBJECT: Business and Commerce; Cities, Towns and Villages; County Government;  
Economic Development; Motels and Hotels; Taxation and Revenue-Sales and  
Use; Tourism  
TYPE: Original  
DATE: February 16, 2000

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON STATE FUNDS</b>			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
<b>Total Estimated Net Effect on <u>All</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 3 pages.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
<b>Local Government*</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**\* This proposal is permissive. Voter approval would be required before fiscal impact would be realized.**

**FISCAL ANALYSIS**

**ASSUMPTION**

Officials of the **Department of Revenue (DOR)** and **Department of Economic Development (DED)** state this legislation authorizes Hickory County to implement and collect a sleeping room tax. DOR and DED have no administrative responsibility and therefore no fiscal impact to their agencies.

Officials of **Hickory County** state that this proposal is permissive. However, if voter approval was received, this legislation would provide funds to promote tourism for the Pomme Lake area.

**Oversight** assumes that this proposal is permissive. Voter approval is required before any county governing body would be authorized to implement a tourism tax. However, there would be fiscal impact if the governing body of a county would seek and receive voter approval to impose a tourism tax.

<b><u>FISCAL IMPACT - State Government</u></b>	FY 2001 (10 Mo.)	FY 2002	FY 2003
	\$0	\$0	\$0

<b><u>FISCAL IMPACT - Local Government</u></b>	FY 2001 (10 Mo.)	FY 2002	FY 2003
	\$0	\$0	\$0

**FISCAL IMPACT - Small Business**

No direct fiscal impact to small businesses would be expected as a result of this proposal.

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DESCRIPTION

This act authorizes Hickory County to vote to impose a tourism tax of not more than five percent on the charges for all sleeping rooms paid by transient guests of hotels and motels to fund tourism activities in the county.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Revenue  
Department of Economic Development  
Hickory County Administrator



Jeanne Jarrett, CPA  
Director  
February 16, 2000