

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3734-01
Bill No.: HB 1388
Subject: Cities, Towns, and Villages; Motels and Hotels; Taxation and Revenue-General
Type: Original
Date: February 23, 2010

Bill Summary: This proposal authorizes the City of Waynesville to impose, upon voter approval, a transient guest tax for a multipurpose conference and convention center.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on FTE	0	0	0

- Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).
- Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Revenue** assume there will be no fiscal impact to their agency.

Officials from the **City of Waynesville** stated the proposal could generate roughly \$60,000 per year and be used to build a 100 room hotel and convention center.

Officials from **Pulaski County** did not respond to our request for fiscal impact.

Oversight assumes this proposal, as written, does not mandate that the City of Waynesville to impose a transient guest tax for the purpose of funding the construction of and the maintenance of a multipurpose conference and convention center. Oversight assumes this proposal is permissive and that the fiscal impact would not be realized without action by the governing body and voter approval. Oversight will show fiscal impact as zero.

<u>FISCAL IMPACT - State Government</u>	FY 2011 (10 Mo.)	FY 2012	FY 2013
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2011 (10 Mo.)	FY 2012	FY 2013
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal. If the City of Waynesville were to receive voter approval to impose a transient guest tax, small businesses in the sleeping rooms business as defined in this proposal could expect to collect and administer the tax.

KG:LR:OD)

FISCAL DESCRIPTION

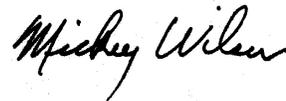
The proposed legislation appears to have no fiscal impact.

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

City of Waynesville
Department of Revenue

Not Responding:
Pulaski County



Mickey Wilson, CPA
Director
February 23, 2010