

## **RESOLUTION OPPOSING SENATE BILL 1125**

### **WITNESSETH:**

**WHEREAS**, Senate Bill 1125 would eliminate the sales tax adjustment factors in North Carolina General Statute 105-486 (b); and

**WHEREAS**, as a result of Senate Bill 1125, Dare County would lose over \$1.6 million of revenue and the municipalities within the county would lose revenue; and

**WHEREAS**, Dare County is currently a contributing county in that it contributes more to the state in tax revenues than it receives in return and Senate Bill 1125 would increase the revenues paid by Dare County beyond its current contribution; and

**WHEREAS**, Dare County and the municipalities within the county already contribute over \$7 million per year to the revenues of other counties and municipalities as a result of population based distributions for the article 40, 42 and 44 sales taxes; and

**WHEREAS**, Dare County and the municipalities within the county have contributed \$23,037,787 in just fiscal years 2004 through 2006 to the revenues of other counties and municipalities as a result of population based distributions for the article 40 and 42 sales taxes; and

**WHEREAS**, North Carolina General Statute 105-486 (b) has been in place for twenty years; and

**WHEREAS**, all counties and municipalities are dependent upon the revenue generated by North Carolina General Statute 105-486 (b) since its inception and in the seven fiscal years since the General Assembly revised the definition of the point of sale; and

**WHEREAS**, there has been no study of the fiscal effects of Senate Bill 1125 upon counties and municipalities; and

**WHEREAS**, Senate Bill 1125 would result in an overall higher property tax burden to permanent residents of Dare County who are already struggling to find affordable housing; and

**WHEREAS**, Senate Bill 1125 would result in the loss of a revenue which Dare County has committed since its inception to the repayment of school debt service which had been documented in the Dare County School Debt Service Repayment Plan, which the Local Government Commission and national rating agencies have placed reliance upon in approving the issuance of over \$150 million of school debt since 2002; and

**WHEREAS**, for the reasons set forth above, Dare County is adamantly opposed to Senate Bill 1125 and requests the North Carolina General Assembly to reject this proposal.

**NOW, THEREFORE, BE IT RESOLVED THAT** the Dare County Board of Commissioners at its June 18, 2007 regular meeting voted to adopt this Resolution opposing the approval or adoption of Senate Bill 1125.

DARE COUNTY BOARD OF COMMISSIONERS

By: \_\_\_\_\_  
Warren C. Judge, Chairman

ATTEST:

\_\_\_\_\_  
Clerk