



**TOWN OF NAGS HEAD RESOLUTION
IN STRONG OPPOSITION TO SALES TAX REDISTRIBUTION
(FORMER SENATE BILL 369)**

WHEREAS, the Town of Nags Head is a public entity established under the laws of the State of North Carolina; AND

WHEREAS, the Town relies heavily on sales tax revenues to provide services, to include those necessary to provide for the health and safety of its residents; AND

WHEREAS, it is projected by the North Carolina League of Municipalities that the current Senate Sales Tax Redistribution Plan will result in the Town losing over 1 million in annual sales tax revenues by FY 19/20 - resulting in a projected 44% decrease in Town sales tax revenue as compared to projected collections under the current law; AND

WHEREAS, the Town would have to increase the property tax rate by approximately 5.12 cents per \$100 in valuation (33%) to replace lost revenues as a result of the Sales Tax Redistribution Plan in order to continue providing the current Town-provided services – Dare County taxes would also have a similar sales tax loss and would most likely increase property taxes to compensate; AND

WHEREAS, a **33%** increase to the property tax rate necessitated by the passage of the Sales tax redistribution plan would place a severe burden on our residents/property owners; AND

WHEREAS, the proposed Sales Tax Redistribution Plan based on per capita when the year-round population swells to over 40,000 on any given day is unreasonable and not cost efficient especially when the tourist season in Dare County is becoming much more year-round requiring funding for additional facilities, services and infrastructure.

NOW THEREFORE, be it resolved by the Board of Commissioners of the Town of Nags Head, County of Dare, State of North Carolina that the Town of Nags Head strongly opposes the Senate's Sales Tax Redistribution Plan due to the detrimental effect this proposed bill would have on the Town's ability to provide for and protect the health, safety, and welfare of our residents.

Unanimously adopted by the Town of Nags Head Board of Commissioners meeting in recessed session this 17th day of June 2015.

A handwritten signature in black ink that reads "Bob Edwards".

Robert C. Edwards, Mayor
Town of Nags Head



ATTEST:

A handwritten signature in blue ink that reads "Carolyn F. Morris".
Carolyn F. Morris, Town Clerk