



**RESOLUTION OPPOSING THE PROPOSED
SENATE BILL 126 - CHANGE THE LOST ADJUSTMENT FACTOR AND
SUPPORTING THE PER CAPITA METHOD FOR DISTRIBUTION OF SALES AND
USE TAX**

WHEREAS, Senate Bill 126 Change the LOST Adjustment Factor will eliminate all current adjustment factors for this particular tax, and replace them with a factor based on the county’s economic tier designation, and

WHEREAS, Counties and their municipalities that rely on tourism will be adversely affected; and

WHEREAS, the proposed tier designation will handicap the tourist destination counties and municipalities that generate significant revenues for the State; and

WHEREAS, the proposed tier designation will also cause a disadvantage for the school systems within the tourist destination counties by further reducing funding for the educational needs in those counties; and

WHEREAS, any change in the distribution method will adversely affect the level of funding received by the Town will have serious adverse effects on the Town’s ability to provide essential services to its residents and visitors; and

WHEREAS, the Sales and Use Tax revenues are an indispensable source of funding for the provision of essential services to the residents of our Town, and significant fluctuations in anticipated revenues will result in major budgetary and/or operational difficulties, and

WHEREAS, the Per Capita Distribution method has historically been and is currently being utilized in Brunswick County for the distribution of Sales and Use Tax revenues and provides a very stable and reliable basis for the County and its municipalities to calculate the distribution of Sales and Use Tax revenues.

NOW THEREFORE BE IT RESOLVED by the Town Council of the Town of Sunset Beach that:

- The Town of Sunset Beach opposes Senate Bill 126 Change the LOST Adjustment Factor and the creation of a factor based economic tier designation, and
- The Town of Sunset Beach opposes any change in the current distribution method that would adversely affect the revenues received by the Town, and
- The Town of Sunset Beach fully supports the continued use of the Per Capita method of distribution for the Sales and Use Tax in its present form.

Adopted this ____ day of March, 2017

TOWN OF SUNSET BEACH

Mayor

Attest:

Town Clerk