



The Outer Banks Chamber of Commerce represents over 1,050 businesses and organizations along 120 miles of beaches in Currituck County, Dare County and Ocracoke Island in NE North Carolina.

The Chamber supports the current sales tax distribution structure. While we understand the need that exists in the rural counties of our state, reallocation of sales tax dollars is not the answer. The legislature should focus its efforts on finding more funding from alternative sources within the rural counties.

In the tourism economy that exists along the Outer Banks with a small year-round population, the costs associated with support services for our over 300,000 weekly tourists include added expenses for fire, rescue, medical/hospital, trash collection, and more. To tamper with the revenue received from sales and used for these services could jeopardize our ability to continue to attract the same level of tourists to our area thus impacting the overall dollars collected for the state of North Carolina. Out of the 100 counties in the State of North Carolina, Dare County alone was #4 in travel expenditures, generating over \$953 million and over 11,500 jobs. Is the trade-off worth the risk to the 4<sup>th</sup> largest revenue generator for the state?

The Outer Banks Chamber of Commerce opposes the legislation which proposes the redistribution of sales tax based on population as well as any other legislation that adversely impacts sales tax revenue.

The Outer Banks Chamber of Commerce opposes proposed changes to the NC Sales Tax distribution included in Senate Bill #369 as well as any other proposed legislation that would have an adverse impact on the current sales tax allocation for our area. In the tourism economy that exists along the Outer Banks with a small year-round population, the costs associated with support services for our over 300,000 weekly tourists include added expenses for fire, rescue, medical/hospital, trash collection, and more. To tamper with the revenue received from sales and used for these services could jeopardize our ability to continue to attract the same level of tourists to our area thus impacting the overall dollars collected for the state of North Carolina.

Included is the Chamber's response that has been sent to the legislators who are advocating this change as well as the Governor and Lt. Governor and our local representatives. Please consider sending this along to them as well.

Regards,  
Karen S. Brown, President & CEO  
Outer Banks Chamber of Commerce

