

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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SENATE BILL 421

Short Title: Local Option Homestead Relief.

(Public)

Sponsors: Senators Cooper; Albertson, Allran, Ballance, Ballantine, Blust, Carpenter, Carrington, Cochrane, Conder, Dalton, Dannelly, Forrester, Foxx, Hartsell, Hoyle, Jenkins, Kinnaird, Ledbetter, Lee, Lucas, Martin of Pitt, Martin of Guilford, McDaniel, Miller, Odom, Perdue, Phillips, Plyler, Rand, Reeves, Shaw of Cumberland, Shaw of Guilford, Soles, Weinstein, Wellons, and Winner.

Referred to: Finance.

March 18, 1997

A BILL TO BE ENTITLED

AN ACT TO AMEND THE CONSTITUTION OF NORTH CAROLINA TO AUTHORIZE THE GENERAL ASSEMBLY TO ENACT LEGISLATION ALLOWING EACH COUNTY TO (I) INCREASE THE AMOUNT OF THE PROPERTY TAX HOMESTEAD EXEMPTION FOR LOW-INCOME ELDERLY AND DISABLED INDIVIDUALS IN THAT COUNTY AND (II) RAISE THE DEFINITION OF "LOW-INCOME" SO THAT MORE ELDERLY AND DISABLED INDIVIDUALS CAN QUALIFY FOR THE EXEMPTION.

The General Assembly of North Carolina enacts:

Section 1. Section 2 of Article V of the North Carolina Constitution is amended by adding a new subdivision to read:

"(8) Property tax homestead exclusion. If the General Assembly enacts legislation classifying and excluding from ad valorem taxation part of the value of the residence of each elderly or disabled individual whose income is below a maximum amount and who satisfies other conditions, the General Assembly may, notwithstanding subdivision (2) of this section, enact a general law uniformly applicable throughout the State authorizing

1 each county to increase the portion of a classified residence's value that is excluded in
2 that county and to increase the maximum income threshold to qualify for the exclusion in
3 that county."

4 Section 2. G.S. 105-277.1 is amended by adding a new subsection to read:

5 "(a1) Local Option Increase. – The board of commissioners of a county may, by
6 resolution, increase the amount of the exclusion provided in subsection (a) of this section,
7 increase the maximum income threshold provided in subdivision (a)(2) of this section, or
8 both. An increase adopted under this subsection shall apply uniformly within the county.
9 The board of commissioners of a county may, by resolution, repeal or reduce an increase
10 adopted under this subsection, but may not reduce the exclusion or the income threshold
11 provided in subsection (a) of this section. A resolution changing the exclusion amount or
12 the income threshold within a county pursuant to this subsection shall become effective
13 no earlier than for the taxable year beginning July 1 following adoption of the
14 resolution."

15 Section 3. G.S. 105-309(f) reads as rewritten:

16 "(f) The following information shall appear on each abstract or on an information
17 sheet distributed with the abstract. If the county has increased the exclusion amount or
18 the income threshold pursuant to G.S. 105-277.1(a1), the assessor shall substitute the
19 applicable dollar amounts. The abstract or sheet must include the address and telephone
20 number of the assessor below the notice required by this subsection. The notice shall read
21 as follows:

22
23 **'PROPERTY TAX RELIEF FOR ELDERLY AND**
24 **PERMANENTLY DISABLED PERSONS.**
25

26 North Carolina excludes from property taxes the first twenty thousand dollars
27 (\$20,000) in appraised value of a permanent residence owned and occupied by North
28 Carolina residents aged 65 or older or totally and permanently disabled whose income
29 does not exceed fifteen thousand dollars (\$15,000). Income means the owner's adjusted
30 gross income as determined for federal income tax purposes, plus all moneys received
31 other than gifts or inheritances received from a spouse, lineal ancestor or lineal
32 descendant.

33 If you received this exclusion in (assessor insert previous year), you do not need to
34 apply again unless you have changed your permanent residence. If you received the
35 exclusion in (assessor insert previous year) and your income in (assessor insert previous
36 year) was above fifteen thousand dollars (\$15,000), you must notify the assessor. If you
37 received the exclusion in (assessor insert previous year) because you were totally and
38 permanently disabled and you are no longer totally and permanently disabled, you must
39 notify the assessor. If the person receiving the exclusion in (assessor insert previous year)
40 has died, the person required by law to list the property must notify the assessor. Failure
41 to make any of the notices required by this paragraph before April 15 will result in
42 penalties and interest.

1 If you did not receive the exclusion in (assessor insert previous year) but are now
2 eligible, you may obtain a copy of an application from the assessor. It must be filed by
3 April 15."

4 Section 4. G.S. 105-328 reads as rewritten:

5 **"§ 105-328. Listing, appraisal, and assessment of property subject to taxation by**
6 **cities and towns situated in more than one county.**

7 (a) ~~For~~ Except as provided in subsection (a1) of this section, for purposes of
8 municipal taxation, all property subject to taxation by a city or town situated in two or
9 more counties may, by resolution of the governing body of the municipality, be listed,
10 appraised, and assessed as provided in G.S. 105-326 and 105-327 if, in such a case, in the
11 opinion of the governing body, the same appraisal and assessment standards will thereby
12 apply uniformly throughout the municipality. However, if, in such a case, the governing
13 body ~~shall determine~~ determines that adoption of the appraisals and assessments fixed by
14 the counties will not result in uniform appraisals and assessments throughout the
15 municipality, the governing body may, by horizontal adjustments, equalize the appraisal
16 and assessment values fixed by the counties in order to obtain the required uniformity.
17 Taxes levied by the city or town shall be levied uniformly on the assessments so
18 determined.

19 (a1) This section does not apply to assessments of property that differ in any of the
20 counties in which the city or town is located because of a local option adjustment in the
21 homestead exclusion under G.S. 105-277.1(a1).

22 (b) Should the governing body of a city or town situated in two or more counties
23 not adopt the procedure provided in subsection (a), above, all property subject to taxation
24 by the municipality shall be listed, appraised, and assessed as provided in subdivisions
25 (b)(1) through (b)(6), below.

26 (1) The governing body of the city or town shall appoint a municipal
27 assessor on or before the first Monday in July in each odd-numbered
28 year. The governing body may remove the municipal assessor from
29 office during his term for good cause after giving him notice in writing
30 and an opportunity to appear and be heard at a public session of the
31 appointing body. Whenever a vacancy occurs in the office, the
32 governing body shall appoint a qualified person to serve as municipal
33 assessor for the period of the unexpired term. Persons holding the
34 position of municipal assessor on July 1, 1971, shall be deemed
35 qualified to fill the position. A person appointed as a municipal assessor
36 shall meet the qualifications and requirements set for a county assessor
37 under G.S. 105-294.

38 (2) With the approval of the governing body, a municipal assessor may
39 employ listers, appraisers, and clerical assistants necessary to carry out
40 the listing, appraisal, assessing, and billing functions required by law.

41 (3) A municipal assessor and the persons employed by him have the same
42 powers and duties as their county equivalents with respect to property
43 subject to taxation by a city or town.

