

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2001**

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**SENATE BILL 207**

Short Title: Low-Income Housing Property Tax. (Public)

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Sponsors: Senators Clodfelter; Gulley, Kinnaird, and Reeves.

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Referred to: Finance.

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February 22, 2001

A BILL TO BE ENTITLED

AN ACT RELATING TO PROPERTY TAX VALUATION OF LOW- AND MODERATE-INCOME HOUSING.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 105-283 reads as rewritten:

**"§ 105-283. Uniform appraisal standards.**

(a) All property, real and personal, shall as far as practicable be appraised or valued at its true value in money. When used in this Subchapter, the words "true value" shall be interpreted as meaning market value, that is, the price estimated in terms of money at which the property would change hands between a willing and financially able buyer and a willing seller, neither being under any compulsion to buy or to sell and both having reasonable knowledge of all the uses to which the property is adapted and for which it is capable of being used. For the purposes of this section, the acquisition of an interest in land by an entity having the power of eminent domain with respect to the interest acquired shall not be considered competent evidence of the true value in money of comparable land.

(b) In the case of real property that meets both of the following conditions, the effect of rent restrictions and income restrictions on the true value of the property shall be taken into account for purposes of valuation under this Subchapter:

(1) The property is subject to restrictions, established by a government entity or by a governmental contract under section 42 of the Code, on the income eligibility of tenants to whom it is leased or on the rents that may be charged.

(2) The tenants to whom the property is leased meet the applicable income eligibility restrictions and the rents charged meet any applicable rent restrictions."

**SECTION 2.** G.S. 105-287(a) reads as rewritten:

1       "(a) In a year in which a general reappraisal or horizontal adjustment of real  
2 property in the county is not made, the assessor shall increase or decrease the appraised  
3 value of real property, as determined under G.S. 105-286, to accomplish any one or  
4 more of the following:

5           (1) Correct a clerical or mathematical error.

6           (2) Correct an appraisal error resulting from a misapplication of the  
7 schedules, standards, and rules used in the county's most recent general  
8 reappraisal or horizontal adjustment.

9           (2a) Recognize an increase or decrease in the value of the property  
10 resulting from a conservation or preservation agreement subject to  
11 Article 4 of Chapter 121 of the General Statutes, the Conservation and  
12 Historic Preservation Agreements Act.

13           (2b) Recognize a change in whether the property meets the conditions of  
14 G.S. 105-283(b).

15           (3) Recognize an increase or decrease in the value of the property  
16 resulting from a factor other than one listed in subsection (b)."

17       **SECTION 3.** This act is effective for taxes imposed for taxable years  
18 beginning on or after July 1, 2002.