

NORTH CAROLINA GENERAL ASSEMBLY

LEGISLATIVE FISCAL NOTE

BILL NUMBER: HB 72 <1st Edition>

SHORT TITLE: Extend Vehicle Property Tax Refund Deadline

SPONSOR(S): Rep. Allred

FISCAL IMPACT

Yes () No (X) No Estimate Available (X)

FY 2001-02 FY 2002-03 FY 2003-04 FY 2004-05 FY 2005-06

REVENUES

General Fund

* No General Fund Impact *

Local Governments

* See Assumptions and Methodology *

PRINCIPAL DEPARTMENT(S) &

PROGRAM(S) AFFECTED: Local Governments, NC Department of Revenue, Property Tax Division.

EFFECTIVE DATE: When it becomes law.

BILL SUMMARY: Under G.S. 105-330.6(c) if a motor vehicle owner either transfers the vehicle to a new owner or moves out of state and registers the vehicle in another jurisdiction, and surrenders the vehicle plates to the Division of Motor Vehicles, the original owner can apply for a release from or refund of a prorated amount of the annual property tax on that vehicle. Current law gives the taxpayer 120 days after surrendering the plate to file for that release or refund. The bill extends that time period to one year.

ASSUMPTIONS AND METHODOLOGY: Because there is no direct link between the DMV plate return data and local assessors, there is no way to determine how many taxpayers do not file for the refund and/or release once the plates are surrendered. In addition, it is not possible to determine what proportion, if any, of those taxpayers who did not apply would apply under the extended timeline. As such, no formal estimate is possible. However, both the Department and Fiscal Research believe the number of taxpayers that would actually take advantage of the deadline extension would be insignificant.

FISCAL RESEARCH DIVISION 733-4910

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