

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

S

2

SENATE BILL 55
Finance Committee Substitute Adopted 2/16/11

Short Title: Increase Property Tax Appeals Efficiency. (Local)

Sponsors:

Referred to:

February 10, 2011

1 A BILL TO BE ENTITLED
2 AN ACT TO INCREASE THE EFFICIENCY OF PROPERTY TAX APPEALS IN
3 MECKLENBURG COUNTY.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** Chapter 509 of the 1981 Session Laws is repealed.

6 **SECTION 2.** Section 3 of this act applies only to Mecklenburg County.

7 **SECTION 3.** G.S. 105-322 reads as rewritten:

8 "**§ 105-322. County board of equalization and review.**

9 (a) Personnel. – Except as otherwise provided herein, the board of equalization and
10 review of each county shall be composed of the members of the board of county
11 commissioners.

12 Upon the adoption of a resolution so providing, the ~~board of commissioners~~ Mecklenburg
13 County Board of Commissioners is authorized to appoint a special board of equalization and
14 review to carry out the duties imposed under this section. The resolution shall provide for the
15 membership, qualifications, terms of office and the filling of vacancies on the board. The
16 membership of the special board provided for in the resolution must be at least five members.
17 The resolution may authorize the special board to establish rules and procedures, including a
18 separation into panels of three or more for deliberations. The board of commissioners shall also
19 designate the clerk and chairman of the special board. The resolution may authorize the
20 assessor to appoint deputy clerks, as needed. The resolution may also authorize a taxpayer to
21 appeal a decision of the special board with respect to the listing or appraisal of his property or
22 the property of others to the board of county commissioners. The resolution shall be adopted
23 not later than the first Monday in March of the year for which it is to be effective and shall
24 continue in effect until revised or rescinded. It shall be entered in the minutes of the meeting of
25 the board of commissioners and a copy thereof shall be forwarded to the Department of
26 Revenue within 15 days after its adoption.

27 ~~Nothing in this subsection (a) shall be construed as repealing any law creating a special~~
28 ~~board of equalization and review or creating any board charged with the duties of a board of~~
29 ~~equalization and review in any county.~~

30 (b) Compensation. – The board of county commissioners shall fix the compensation and
31 allowances to be paid members of the board of equalization and review for their services and
32 expenses.

33 (c) Oath. – Each member of the board of equalization and review shall take the oath
34 required by Article VI, § 7 of the North Carolina Constitution with the following phrase added
35 to it: "that I will not allow my actions as a member of the board of equalization and review to
36 be influenced by personal or political friendships or obligations,". The oath must be filed with
37 the clerk of the board of county commissioners.



1 (d) Clerk and Minutes. – ~~The assessor shall serve as clerk~~ clerk, or deputy clerk, to the
2 board of equalization and ~~review~~, review shall be present at all meetings, shall maintain
3 accurate minutes of the actions of the board, and shall give to the board such information as he
4 may have or can obtain with respect to the listing and valuation of taxable property in the
5 county.

6 (e) Time of Meeting. – Each year the board of equalization and review shall hold its
7 first meeting not earlier than the first Monday in April and not later than the first Monday in
8 May. In years in which a county does not conduct a real property revaluation, the board shall
9 complete its duties on or before the third Monday following its first meeting unless, in its
10 opinion, a longer period of time is necessary or expedient to a proper execution of its
11 responsibilities. Except as provided in subdivision (g)(5) of this section, the board may not sit
12 later than July 1 except to hear and determine requests made under the provisions of
13 subdivision (g)(2), below, when such requests are made within the time prescribed by law. ~~In~~
14 ~~the year in which a county conducts a real property revaluation, the board shall complete its~~
15 ~~duties on or before December 1, except that it may sit after that date to hear and determine~~
16 ~~requests made under the provisions of subdivision (g)(2), below, when such requests are made~~
17 ~~within the time prescribed by law. The resolution adopted under subsection (a) of this section~~
18 may authorize the special board to sit beyond the end of the current calendar year until the first
19 meeting of the special board in the next calendar year to hear and determine requests made
20 under the provisions of G.S. 105-322(g)(2) for appeals filed in the current calendar year. From
21 the time of its first meeting until its adjournment, the board shall meet at such times as it deems
22 reasonably necessary to perform its statutory duties and to receive requests and hear the appeals
23 of taxpayers under the provisions of subdivision (g)(2), below.

24 (f) Notice of Meetings and Adjournment. – A notice of the date, hours, place, and
25 purpose of the first meeting of the board of equalization and review shall be published at least
26 three times in some newspaper having general circulation in the county, the first publication to
27 be at least 10 days prior to the first meeting. The notice shall also state the dates and hours on
28 which the board ~~will meet following its first meeting and the date on which it expects to~~
29 adjourn; it shall also carry a statement that in the event of earlier or later adjournment, notice to
30 that effect will be published in the same newspaper. Should a notice be required on account of
31 earlier adjournment, it shall be published at least once in the newspaper in which the first notice
32 was published, such publication to be at least five days prior to the date fixed for adjournment.
33 Should a notice be required on account of later adjournment, it shall be published at least once
34 in the newspaper in which the first notice was published, such publication to be prior to the date
35 first announced for adjournment.

36 (g) Powers and Duties. – The board of equalization and review has the following
37 powers and duties:

- 38 (1) Duty to Review Tax Lists. – The board shall examine and review the tax
39 lists of the county for the current year to the end that all taxable property
40 shall be listed on the abstracts and tax records of the county and appraised
41 according to the standard required by G.S. 105-283, and the board shall
42 correct the abstracts and tax records to conform to the provisions of this
43 Subchapter. In carrying out its responsibilities under this subdivision (g)(1),
44 the board, on its own motion or on sufficient cause shown by any person,
45 shall:
- 46 a. List, appraise, and assess any taxable real or personal property that
47 has been omitted from the tax lists.
 - 48 b. Correct all errors in the names of persons and in the description of
49 properties subject to taxation.
 - 50 c. Increase or reduce the appraised value of any property that, in the
51 board's opinion, has been listed and appraised at a figure that is

- 1 below or above the appraisal required by G.S. 105-283; however, the
2 board shall not change the appraised value of any real property from
3 that at which it was appraised for the preceding year except in
4 accordance with the terms of G.S. 105-286 and 105-287.
- 5 d. Cause to be done whatever else is necessary to make the lists and tax
6 records comply with the provisions of this Subchapter.
- 7 e. Embody actions taken under the provisions of subdivisions (g)(1)a
8 through (g)(1)d, above, in appropriate orders and have the orders
9 entered in the minutes of the board.
- 10 f. Give written notice to the taxpayer at the taxpayer's last known
11 address in the event the board, by appropriate order, increases the
12 appraisal of any property or lists for taxation any property omitted
13 from the tax lists under the provisions of this subdivision (g)(1).
- 14 (2) Duty to Hear Taxpayer Appeals. – On request, the board of equalization and
15 review shall hear any taxpayer who owns or controls property taxable in the
16 county with respect to the listing or appraisal of the taxpayer's property or
17 the property of others.
- 18 a. A request for a hearing under this subdivision (g)(2) shall be made in
19 writing to or by personal appearance before the board prior to its
20 adjournment. However, if the taxpayer requests review of a decision
21 made by the board under the provisions of subdivision (g)(1), above,
22 notice of which was mailed fewer than 15 days prior to the board's
23 adjournment, the request for a hearing thereon may be made within
24 15 days after the notice of the board's decision was mailed.
- 25 b. Taxpayers may file separate or joint requests for hearings under the
26 provisions of this subdivision (g)(2) at their election.
- 27 c. At a hearing under provisions of this subdivision (g)(2), the board, in
28 addition to the powers it may exercise under the provisions of
29 subdivision (g)(3), below, shall hear any evidence offered by the
30 appellant, the assessor, and other county officials that is pertinent to
31 the decision of the appeal. Upon the request of an appellant, the
32 board shall subpoena witnesses or documents if there is a reasonable
33 basis for believing that the witnesses have or the documents contain
34 information pertinent to the decision of the appeal.
- 35 d. On the basis of its decision after any hearing conducted under this
36 subdivision (g)(2), the board shall adopt and have entered in its
37 minutes an order reducing, increasing, or confirming the appraisal
38 appealed or listing or removing from the tax lists the property whose
39 omission or listing has been appealed. The board shall notify the
40 appellant by mail as to the action taken on the taxpayer's appeal not
41 later than 30 days after the board's adjournment.
- 42 (3) Powers in Carrying Out Duties. – In the performance of its duties under
43 subdivisions (g)(1) and (g)(2), above, the board of equalization and review
44 may exercise the following powers:
- 45 a. It may appoint committees composed of its own members or other
46 persons to assist it in making investigations necessary to its work. It
47 may also employ expert appraisers in its discretion. The expense of
48 the employment of committees or appraisers shall be borne by the
49 county. The board may, in its discretion, require the taxpayer to
50 reimburse the county for the cost of any appraisal by experts
51 demanded by the taxpayer if the appraisal does not result in material

1 reduction of the valuation of the property appraised and if the
2 appraisal is not subsequently reduced materially by the board or by
3 the Department of Revenue.

- 4 b. The board, in its discretion, may examine any witnesses and
5 documents. It may place any witnesses under oath administered by
6 any member of the board. It may subpoena witnesses or documents
7 on its own motion, and it must do so when a request is made under
8 the provisions of subdivision (g)(2)c, above.

9 A subpoena issued by the board shall be signed by the chair of
10 the board, directed to the witness or to the person having custody of
11 the document, and served by an officer authorized to serve
12 subpoenas. Any person who willfully fails to appear or to produce
13 documents in response to a subpoena or to testify when appearing in
14 response to a subpoena shall be guilty of a Class 1 misdemeanor.

- 15 (4) Power to Submit Reports. – Upon the completion of its other duties, the
16 board may submit to the Department of Revenue a report outlining the
17 quality of the reappraisal, any problems it encountered in the reappraisal
18 process, the number of appeals submitted to the board and to the Property
19 Tax Commission, the success rate of the appeals submitted, and the name of
20 the firm that conducted the reappraisal. A copy of the report should be sent
21 by the board to the firm that conducted the reappraisal.

- 22 (5) ~~Duty to Change Abstracts and Records After Adjournment.~~ – Following
23 adjournment upon completion of its duties under subdivisions (g)(1) and
24 (g)(2) of this subsection, the board may continue to meet to carry out the
25 following duties:

- 26 a. To hear and decide all appeals relating to discovered property under
27 G.S. 105-312(d) and (k).
28 b. To hear and decide all appeals relating to the appraisal, situs, and
29 taxability of classified motor vehicles under G.S. 105-330.2(b).
30 c. To hear and decide all appeals relating to audits conducted under
31 G.S. 105-296(j) and relating to audits conducted under
32 G.S. 105-296(j) and (l) of property classified at present-use value and
33 property exempted or excluded from taxation.
34 d. To hear and decide all appeals relating to personal property under
35 G.S. 105-317.1(c).
36 e. To appraise and reappraise property under G.S. 105-325(a)(6)."

37 **SECTION 4.** Section 1 of this act becomes effective only upon the adoption of a
38 resolution by the Mecklenburg Board of County Commissioners under Section 3 of this act.
39 The remainder of this act becomes effective January 1, 2011.