

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

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HOUSE PRINCIPAL CLERK

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HOUSE BILL DRH10005-MC-10 (01/03)

Short Title: Provide Certain Property Tax Relief. (Public)

Sponsors: Representatives Dollar, Saine, Hardister, and R. Turner (Primary Sponsors).

Referred to:

A BILL TO BE ENTITLED

AN ACT TO INCREASE THE DISABLED VETERAN PROPERTY TAX HOMESTEAD EXCLUSION AND TO PROVIDE A PROPERTY TAX HOMESTEAD EXCLUSION FOR THE SURVIVING SPOUSE OF QUALIFYING EMERGENCY PERSONNEL.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 105-277.1C(a) reads as rewritten:

"(a) Classification. – A permanent residence owned and occupied by a qualifying owner is designated a special class of property under Article V, Section 2(2) of the North Carolina Constitution and is taxable in accordance with this section. The ~~first forty five thousand dollars (\$45,000)~~ of appraised value of the residence is excluded from taxation. A qualifying owner who receives an exclusion under this section may not receive other property tax relief."

SECTION 2.(a) Article 12 of Subchapter II of Chapter 105 of the General Statutes is amended by adding a new section to read:

"§ 105-277.1E. Surviving spouse property tax homestead exclusion.

(a) Classification. – A permanent residence owned and occupied by a qualifying owner is designated a special class of property under Section 2(2) of Article V of the North Carolina Constitution and is taxable in accordance with this section. The appraised value of the residence is excluded from taxation. A qualifying owner who receives an exclusion under this section may not receive other property tax relief.

(b) Definitions. – The following definitions apply in this section:

(1) Emergency personnel officer. – Firefighting, search and rescue, or emergency medical services personnel or any employee of any duly accredited State or local government agency possessing authority to enforce the criminal laws of the State who (i) is actively serving in a position with assigned primary duties and responsibilities for prevention and detection of crime or the general enforcement of the criminal laws of the State and (ii) possesses the power of arrest by virtue of an oath administered under the authority of the State.

(2) Permanent residence. – Defined in G.S. 105-277.1.

(3) Property tax relief. – Defined in G.S. 105-277.1.

(4) Qualifying owner. – An owner, as defined in G.S. 105-277.1, who is a North Carolina resident and is the surviving spouse who has not remarried of an emergency personnel officer who was killed in the line of duty.

(c) Temporary Absence. – An owner does not lose the benefit of this exclusion because of a temporary absence from his or her permanent residence for reasons of health or because of an extended absence while confined to a rest home or nursing home, so long as the residence is unoccupied or occupied by a dependent of the owner, other than a spouse.



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1 (d) Other Multiple Owners. – This subsection applies to co-owners who are not husband
2 and wife. Each co-owner of a permanent residence must apply separately for the exclusion
3 allowed under this section.

4 When one or more co-owners of a permanent residence qualify for the exclusion allowed
5 under this section and none of the co-owners qualifies for the exclusion allowed under
6 G.S. 105-277.1, each co-owner is entitled to the full amount of the exclusion allowed under this
7 section. The exclusion allowed to one co-owner may not exceed the co-owner's proportionate
8 share of the valuation of the property, and the amount of the exclusion allowed to all the
9 co-owners may not exceed the exclusion allowed under this section.

10 When one or more co-owners of a permanent residence qualify for the exclusion allowed
11 under this section and one or more of the co-owners qualify for the exclusion allowed under
12 G.S. 105-277.1, each co-owner who qualifies for the exclusion allowed under this section is
13 entitled to the full amount of the exclusion. The exclusion allowed to one co-owner may not
14 exceed the co-owner's proportionate share of the valuation of the property, and the amount of the
15 exclusion allowed to all the co-owners may not exceed the greater of the exclusion allowed under
16 this section and the exclusion allowed under G.S. 105-277.1.

17 (e) Application. – An application for the exclusion allowed under this section should be
18 filed during the regular listing period but may be filed and must be accepted at any time up to and
19 through June 1 preceding the tax year for which the exclusion is claimed. Persons may apply for
20 this property tax relief by entering the appropriate information on a form made available by the
21 assessor under G.S. 105-282.1"

22 **SECTION 2.(b)** G.S. 105-282.1(a) reads as rewritten:

23 "(a) Application. – Every owner of property claiming exemption or exclusion from property
24 taxes under the provisions of this Subchapter has the burden of establishing that the property is
25 entitled to it. If the property for which the exemption or exclusion is claimed is appraised by the
26 Department of Revenue, the application shall be filed with the Department. Otherwise, the
27 application shall be filed with the assessor of the county in which the property is situated. An
28 application must contain a complete and accurate statement of the facts that entitle the property to
29 the exemption or exclusion and must indicate the municipality, if any, in which the property is
30 located. Each application filed with the Department of Revenue or an assessor shall be submitted
31 on a form approved by the Department. Application forms shall be made available by the assessor
32 and the Department, as appropriate.

33 Except as provided below, an owner claiming an exemption or exclusion from property taxes
34 must file an application for the exemption or exclusion annually during the listing period.

35 ...

36 (2) Single application required. – An owner of one or more of the following
37 properties eligible for a property tax benefit must file an application for the
38 benefit to receive it. Once the application has been approved, the owner does
39 not need to file an application in subsequent years unless new or additional
40 property is acquired or improvements are added or removed, necessitating a
41 change in the valuation of the property, or there is a change in the use of the
42 property or the qualifications or eligibility of the taxpayer necessitating a
43 review of the benefit.

44 a. Property exempted from taxation under G.S. 105-278.3, 105-278.4,
45 105-278.5, 105-278.6, 105-278.7, or 105-278.8.

46 b. Special classes of property excluded from taxation under
47 G.S. 105-275(3), (7), (8), (12), (17), (18), (19), (20), (21), (31e), (35),
48 (36), (38), (39), (41), or (45) or under G.S. 105-277.1C,
49 G.S. 105-277.1E, or G.S. 131A-21.

1 c. Special classes of property classified for taxation at a reduced valuation
2 under G.S. 105-277(h), 105-277.1, ~~105-277.1C,~~ 105-277.10,
3 105-277.13, 105-277.14, 105-277.15, 105-277.17, or 105-278.
4 "

5 **SECTION 3.** This act is effective for taxes imposed for taxable years beginning on or
6 after July 1, 2017.