

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019

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HOUSE BILL 959

Short Title: Exempt Cemetery Property. (Public)

Sponsors: Representatives Strickland, Saine, and K. Hall (Primary Sponsors).
For a complete list of sponsors, refer to the North Carolina General Assembly web site.

Referred to: Finance, if favorable, Rules, Calendar, and Operations of the House

April 26, 2019

1 A BILL TO BE ENTITLED
2 AN ACT TO EXEMPT COMMERCIAL BURIAL PROPERTY FROM PROPERTY TAXES.
3 The General Assembly of North Carolina enacts:

4 **SECTION 1.** G.S. 105-278.2 reads as rewritten:

5 "**§ 105-278.2. Burial property.**

6 (a) Commercial Property. – Real property set apart for burial purposes ~~shall be exempted~~
7 ~~from taxation unless it is owned and held for purposes of (i) sale or rental or (ii) sale of burial~~
8 ~~rights therein. No application is required under G.S. 105-282.1 for property exempt under this~~
9 ~~subsection. A county cannot deny the exemption provided under this subsection to a taxpayer~~
10 ~~that lacks a survey or plat detailing the exempt property. therein is exempted from taxation. If~~
11 ~~property set apart for burial purposes under this subsection no longer qualifies as burial property,~~
12 ~~the tax exemption is forfeited. Property set apart for burial purposes under this subsection no~~
13 ~~longer qualifies when that property is sold, conveyed, leased, encumbered, or disposed of for a~~
14 ~~purpose other than burial purposes. The taxpayer must notify the Department within 14 days of~~
15 ~~the forfeiture. A taxpayer that forfeits the tax exemption under this subsection is liable for all~~
16 ~~past taxes avoided on the forfeited property plus interest at the rate established under~~
17 ~~G.S. 105-241.21, computed from the date the taxes would have been due if the exemption had~~
18 ~~not been allowed. The past taxes and interest are due 30 days after the date the exemption is~~
19 ~~forfeited; a taxpayer that fails to pay the past taxes and interest by the due date is subject to the~~
20 ~~penalties provided in G.S. 105-236.~~

21 (b) ~~Taxable real property set apart for human burial purposes is hereby designated a~~
22 ~~special class of property under authority of Article V, Section 2(2) of the North Carolina~~
23 ~~Constitution, and it shall be assessed for taxation taking into consideration the following: Other~~
24 ~~Property.~~ – Real property not held for the purposes listed in subsection (a) of this section that is
25 set apart for burial purposes is exempted from taxation. A county cannot deny the exemption
26 provided under this subsection to a taxpayer that lacks a survey or plat detailing the exempt
27 property.

- 28 (1) ~~The effect on its value by division and development into burial plots;~~
29 (2) ~~Whether it is irrevocably dedicated for human burial purposes by plat recorded~~
30 ~~with the Register of Deeds in the county in which the land is located; and~~
31 (3) ~~Whether the owner is prohibited or restricted by law or otherwise from selling,~~
32 ~~mortgaging, leasing or encumbering the same.~~

33 (c) Terms. – For purposes of this section, the term "real property" ~~includes land, tombs,~~
34 ~~vaults, monuments, and mausoleums, and the term "burial" includes entombment.~~ entombment,
35 and the term "real property" includes any of the following on the burial property:



- 1 (1) Land.
2 (2) Tombs, vaults, monuments, or mausoleums.
3 (3) Buildings, structures, improvements, or permanent fixtures."

4 **SECTION 2.** G.S. 105-282.1 reads as rewritten:

5 **"§ 105-282.1. Applications for property tax exemption or exclusion; annual review of**
6 **property exempted or excluded from property tax.**

7 (a) Application. – Every owner of property claiming exemption or exclusion from
8 property taxes under the provisions of this Subchapter has the burden of establishing that the
9 property is entitled to it. If the property for which the exemption or exclusion is claimed is
10 appraised by the Department of Revenue, the application shall be filed with the Department.
11 Otherwise, the application shall be filed with the assessor of the county in which the property is
12 situated. An application must contain a complete and accurate statement of the facts that entitle
13 the property to the exemption or exclusion and must indicate the municipality, if any, in which
14 the property is located. Each application filed with the Department of Revenue or an assessor
15 shall be submitted on a form approved by the Department. Application forms shall be made
16 available by the assessor and the Department, as appropriate.

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

- 19 (1) No application required. – Owners of the following exempt or excluded
20 property do not need to file an application for the exemption or exclusion to
21 be entitled to receive it:

22 a. Property exempt from taxation under G.S. 105-278.1 or ~~G.S.~~
23 ~~105-278.2.~~G.S. 105-278.2(b).

24 ...

- 25 (2) Single application required. – An owner of one or more of the following
26 properties eligible for a property tax benefit must file an application for the
27 benefit to receive it. Once the application has been approved, the owner does
28 not need to file an application in subsequent years unless new or additional
29 property is acquired or improvements are added or removed, necessitating a
30 change in the valuation of the property, or there is a change in the use of the
31 property or the qualifications or eligibility of the taxpayer necessitating a
32 review of the benefit.

33 a. Property exempted from taxation under ~~G.S. 105-278.3,~~
34 G.S. 105-278.2(a), 105-278.3, 105-278.4, 105-278.5, 105-278.6,
35 105-278.7, or 105-278.8.

36 "

37 **SECTION 3.** This act is effective for taxes imposed for taxable years beginning on
38 or after July 1, 2020.