

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2023

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SENATE BILL DRS15236-NIF-48A

Short Title: Property Tax Increase Limitation for Zoning. (Public)

Sponsors: Senator Blue (Primary Sponsor).

Referred to:

A BILL TO BE ENTITLED

AN ACT TO LIMIT PROPERTY VALUE INCREASES DURING REAPPRAISALS THAT ARE ATTRIBUTABLE SOLELY TO FAVORABLE ZONING ORDINANCES TO THOSE INSTANCES WHERE THE PROPERTY OWNER ACTUALLY ENGAGES IN THE ACTIVITY OR ACTIVITIES PERMITTED BY SUCH ZONING.

The General Assembly of North Carolina enacts:

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

"§ 105-283. Uniform appraisal standards.

~~All~~ Subject to the conditions set forth in this Subchapter, 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."

**SECTION 1.(b)** G.S. 105-284(a) reads as rewritten:

"(a) Except as otherwise provided in this ~~section~~, section, G.S. 105-286(a), and G.S. 105-328(a), all property, real and personal, shall be assessed for taxation at its true value or use value as determined under G.S. 105-283 or G.S. 105-277.6, and taxes levied by all counties and municipalities shall be levied uniformly on assessments determined in accordance with this section."

**SECTION 1.(c)** G.S. 105-286(a) reads as rewritten:

"(a) Octennial Cycle. – Each county must reappraise all real property in accordance with the provisions of G.S. 105-283 and G.S. 105-317 as of January 1 of the year set out in the following schedule and every eighth year thereafter, unless the county is required to advance the date under subdivision (2) of this section or chooses to advance the date under subdivision (3) of this section. A property zoned to permit a particular activity may not be reappraised at a greater value solely as a result of such zoning unless the owner of the property actually engages in the permitted activity.

...."

**SECTION 1.(d)** G.S. 105-328(a) reads as rewritten:

"(a) For purposes of municipal taxation, all property subject to taxation by a city or town situated in two or more counties may, by resolution of the governing body of the municipality, be listed, appraised, and assessed as provided in G.S. 105-326 and 105-327 if, in such a case, in



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1 the opinion of the governing body, the same appraisal and assessment standards will thereby  
2 apply uniformly throughout the municipality. However, if, in such a case, the governing body  
3 shall determine that adoption of the appraisals and assessments fixed by the counties will not  
4 result in uniform appraisals and assessments throughout the municipality, the governing body  
5 may, by horizontal adjustments, equalize the appraisal and assessment values fixed by the  
6 counties in order to obtain the required ~~uniformity.~~ uniformity, subject to the zoning use  
7 reappraisal limitation applicable to real property provided in G.S. 105-286(a). Taxes levied by  
8 the city or town shall be levied uniformly on the assessments so determined."

9           **SECTION 2.** This act is effective when it becomes law and applies to reappraisals  
10 occurring after January 1, 2024.