## NORTH CAROLINA GENERAL ASSEMBLY LEGISLATIVE FISCAL NOTE

BILL NUMBER: HB 1127

SHORT TITLE: Increase Pay of Property Tax Commission

SPONSOR(S): Representative Capps, Blue, Cansler, Church,

Neely, G. Robinson, Shaw and Shubert

FISCAL IMPACT: Expenditures: Increase (X)

Decrease ( )

Revenues: Increase ( ) Decrease ( )

No Impact ( )

No Estimate Available ( )

FUND AFFECTED: General Fund(X), Highway Fund( ), Local Govt.( ),

Other Funds( )

**BILL SUMMARY** The proposed act provides for an increase in the per diem pay for Commissioners of the North Carolina Property Tax Commission. There are five part-time Commissioners one of whom serves as the Chair. The current per diem is \$200.00 per hearing day for each Commissioner.

Under this proposal, the Chair's per diem is increased to \$625.00 per hearing day. In addition, the Chair is to receive two days per month at \$625.00 a day for administrative matters and one day at \$625.00 for every three days of hearings for case preparation. The per diem of the four part-time Commissioners is increased to \$500.00 per hearing day plus \$500.00 a day for every three days of hearings for case preparation. Appeals of value less than \$500,000 may be heard by a single Commissioner. Such cases could be heard by the full Commission upon the motion of a party and the concurrence of the Commission or upon the Commission's own decision. Appeals of value greater than \$500,000 would be heard by three Commissioners, unless all parties agreed otherwise. A decision after a hearing is final and may be appealed to the Court of Appeals.

**EFFECTIVE DATE:** July 1, 1996

### PRINCIPAL DEPARTMENT(S)/PROGRAM(S) AFFECTED:

Ad Valorem Tax Division of the Department of Revenue

Millions
\$ ESTIMATE

FISCAL IMPACT

FY FY FY FY FY FY 96/97 97/98 98/99 99/00 00/01 **APPROPRIATION:** 

GENERAL FUND \$.12 .12 .12 .12 .12

**ASSUMPTIONS AND METHODOLOGY:** The estimate assumes a maximum of 42 hearing days in each fiscal year of the 1996-98 biennium.

# ASSUMPTIONS and METHODOLOGY Continued

## Equations:

Four part-time commissioners \$ Increase Per diem increase: \$300.00 \* 42 \* 4 = \$50,400 Hearing day pay increase: \$500.00 \* (42/3) \* 4 = 28,000 Total increase 4 commissioners \$78,400 (Per diem per commissioner \$19,600)

One Chair Person

Per diem increase: \$425.00 \* 42 \* 1 = \$17,850 Administrative pay increase: \$625.00 \* (12\*2) \* 1 = 15,000 Hearing day pay increase: \$625.00 \* (42/3) \* 1 = 8,750 Total increase chairman \$41,600

\$78,400 + \$41,600 = \$120,000 increase per year of the biennium **SOURCES OF DATA:** 

Department of Revenue, Property Tax Division Fiscal Research Division

### FISCAL RESEARCH DIVISION

733-4910

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APPROVED BY: Tom L. Covington DATE: May 28, 1996

[FRD#001]

Official
Fiscal Research Division
Publication

Signed Copy Located in the NCGA Principal Clerk's Offices