

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

S

2

SENATE BILL 817
Finance Committee Substitute Adopted 5/19/99

Short Title: Real Property Tax Penalty.

(Public)

Sponsors:

Referred to:

April 12, 1999

A BILL TO BE ENTITLED

1 AN ACT TO PROVIDE AN EXCEPTION TO THE LATE LISTING PENALTY FOR
2 CERTAIN REAL PROPERTY IN COUNTIES THAT HAVE NOT ADOPTED
3 PERMANENT LISTING AND TO PHASE IN PERMANENT LISTING IN ALL
4 COUNTIES.
5

6 The General Assembly of North Carolina enacts:

7 Section 1. It is the intent of the General Assembly to encourage all counties to
8 adopt a permanent property tax listing system in accordance with G.S. 105-303(b). The
9 General Assembly finds that permanent listing is more convenient for taxpayers and more
10 efficient for counties. To encourage counties to adopt permanent listing in the next few
11 years, Section 2 of this act prohibits counties that have not adopted such a system from
12 charging late listing penalties in certain circumstances. Section 3 of this act requires all
13 counties to adopt permanent listing systems by the 2004 tax year.

14 Section 2. G.S. 105-312(h) reads as rewritten:

15 "(h) Computation of Penalties. – Having computed each year's taxes separately as
16 provided in subsection ~~(g), above, (g)~~ of this section, there shall be added a penalty of ten
17 percent (10%) of the amount of the tax for the earliest year in which the property was not
18 listed, plus an additional ten percent (10%) of the same amount for each subsequent
19 listing period that elapsed before the property was discovered. This penalty shall be

1 computed separately for each year in which a failure to list occurred; and the year, the
2 amount of the tax for that year, and the total of penalties for failure to list in that year
3 shall be shown separately on the tax records; but the taxes and penalties for all years in
4 which there was a failure to list shall be then totalled on a single tax receipt. The penalty
5 provided in this section does not apply to real property if there have been no
6 improvements to the property since it was last listed and there has been no change in
7 ownership since it was last listed."

8 Section 3. Effective for taxes imposed for taxable years beginning on or after
9 July 1, 2004, G.S. 105-303(b) reads as rewritten:

10 "(b) ~~With the approval of the Department of Revenue, the board of county~~
11 ~~commissioners may install a permanent listing system. (The Department's approval shall~~
12 ~~not, however, be required for any such system installed prior to April 3, 1939.)~~ The board
13 of commissioners of each county must install a permanent listing system. Each county
14 must obtain the approval of the Department of Revenue for its permanent listing system.
15 Under such a system the provisions of subdivisions (b)(1) through ~~(b)(4), below,~~ shall
16 (b)(4) of this subsection apply.

17 (1) The assessor ~~shall be~~ is responsible for listing all real property
18 on the abstracts and tax records each year in the name of the owner of
19 record as of the day as of which property is to be listed under G.S.
20 105-285.

21 (2) Persons whose duty it is to list real property under the
22 provisions of G.S. 105-302 ~~shall be~~ are relieved of that duty, but
23 annually, during the listing period established by G.S. 105-307, ~~such~~
24 ~~persons shall~~ these persons must furnish the assessor with the
25 information concerning improvements on and separate rights in real
26 property required by G.S. 105-309(c)(3) through (c)(5).

27 (3) The penalties imposed by G.S. 105-308 and 105-312 ~~shall not~~
28 ~~be imposed for~~ do not apply to failure to list real property for taxation,
29 but they ~~shall be imposed for~~ apply to failure to comply with the
30 provisions of subdivision ~~(b)(2), above,~~ (b)(2) of this subsection with
31 respect to reporting the construction or acquisition of improvements
32 on and separate rights in real property. In such a case, the penalty
33 prescribed by G.S. 105-312 shall be computed on the basis of the tax
34 imposed on the improvements and separate rights.

35 (4) The Department of Revenue may authorize the board of
36 county commissioners to make additional modifications of the listing
37 requirements of this Subchapter, ~~but no such modification shall conflict~~
38 ~~with the provisions of~~ as long as the modifications do not conflict with
39 subdivisions (b)(1) through ~~(b)(3), above,~~ (b)(3) of this subsection."

40 Section 4. Section 3 of this act is effective for taxes imposed for taxable years
41 beginning on or after July 1, 2004. The remainder of this act is effective for taxes
42 imposed for taxable years beginning on or after July 1, 1999. Section 2 of this act is
43 repealed effective for taxes imposed for taxable years beginning on or after July 1, 2004.