

**SUBCHAPTER VII. PAYMENTS RECEIVED FROM TENNESSEE VALLEY
AUTHORITY IN LIEU OF TAXES.**

Article 38.

Equitable Distribution between Local Governments.

§ 105-458. Apportionment of payments in lieu of taxes between local units.

The payments received by the State and local governments from the Tennessee Valley Authority in lieu of taxes under section 13 of the Act of Congress creating it, and as amended, shall be apportioned between the local governments in which the property is owned or an operation is carried on, on the basis of each local government's percentage of the total value of the Authority's property in the State, determined as hereinafter provided: Provided, however, that the minimum annual payment to any local government from said fund, including the amounts paid direct to said local government by the Authority, shall not be less than the amount of annual actual tax loss to such local government based upon the two-year average on said property next prior to it being taken over by the Authority. (1941, c. 85, s. 1; 1959, c. 1060; 2009-569, s. 1.)

§ 105-459. Proration of T.V.A. funds.

The Department of Revenue shall determine each year, on the basis of current tax laws, the allocation of the Authority's valuation among the local governments in the same manner as if the property owned or operated by the Authority were owned or operated by a privately owned public utility. The Department of Revenue and the Treasurer of the State of North Carolina shall then prorate the funds received from the Authority by the State and local governments between the local governments upon the basis of the foregoing calculations. (1941, c. 85, s. 2; 1959, c. 1060; 1973, c. 476, s. 193; 2009-569, s. 2.)

§ 105-460. Distribution of funds by State Treasurer.

The Treasurer of the State of North Carolina shall then ascertain the payments to be made to the local governments upon the basis of the provisions of G.S. 105-459 and he is authorized and directed to distribute the same between the local governments in accordance with the foregoing provisions of G.S. 105-459. The Treasurer of the State of North Carolina is further authorized and directed to pay said sums to the local governments each month or so often as he shall receive payments from the Authority, but not more often than once each month, after first deducting from any sum to be paid a local government such amount as has theretofore been paid direct to said local government by the Authority for the same period: Provided, however, that the minimum annual payment to any local government from said fund shall not be less than the average annual tax on the property taken by the Authority for the two years next preceding the taking. (1941, c. 85, s. 3; 1959, c. 1060.)

§ 105-461. Duty of finance officer, etc.

The finance officer or other proper officer of each local government to which this Subchapter is applicable shall certify each month to the Treasurer of the State of North Carolina a statement of the amount received by the local government direct from the Authority.

No local government shall be entitled to receive its distributive share of said fund from the Treasurer of the State of North Carolina until the foregoing information has been properly furnished. If any such local government shall fail to furnish the information herein required within 10 days from and after receipt by it from the Department of Revenue of request for the same, forwarded by registered mail, then and in that event it shall be barred from participating in the

benefits provided for the period for which the same is requested. (1941, c. 85, s. 4; 1973, c. 476, s. 193; 2009-569, s. 3.)

§ 105-462. Local units entitled to benefits; prerequisite for payments.

Any local governments within the State in which the Authority now or may hereafter own property or carry on an operation shall be entitled to the benefits arising under this Subchapter: Provided, however, that no payment shall be made to them by the Treasurer of the State of North Carolina until such time as such local governments shall have certified to the Department of Revenue and the Treasurer of the State of North Carolina the average annual tax loss it has sustained by the taking of said property for the two years immediately preceding the taking thereof: Provided, further, that in the event of any disagreement between said local governments and the Treasurer of the State of North Carolina as to such annual tax loss, then the same shall be determined by the Department of Revenue, and its decision thereon shall be final. (1941, c. 85, s. 5; 1973, c. 476, s. 193.)