

GENERAL ASSEMBLY OF NORTH CAROLINA
1985 SESSION

CHAPTER 601
SENATE BILL 764

AN ACT TO EQUALIZE THE PROPERTY TAX BURDEN.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-284 is rewritten to read as follows:

"§ 105-284. **Uniform assessment standard.**—(a) Except as otherwise provided in this section, 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.

(b) The assessed value of public service company system property subject to appraisal by the Department of Revenue under G.S. 105-335(b)(1) shall be determined by applying to the allocation of such value to each county a percentage to be established by the Department of Revenue. The percentage to be applied shall be either:

- (1) The median ratio established in sales assessment ratio studies of real property conducted by the Department of Revenue in the county in the year the county conducts a reappraisal of real property and in the fourth and seventh years thereafter; or
- (2) A weighted average percentage based on the median ratio for real property established by the Department of Revenue as provided in subdivision
 - (1) and a one hundred percent (100%) ratio for personal property. No percentage shall be applied in a year in which the median ratio for real property is ninety percent (90%) or greater.

If the median ratio for real property in any county is below ninety percent (90%) and if the county assessor has provided information satisfactory to the Department of Revenue that the county follows accepted guidelines and practices in the assessment of business personal property, the weighted average percentage shall be applied to public service company property. In calculating the weighted average percentage, the Department shall use the assessed value figures for real and personal property reported by the county to the Local Government Commission for the preceding year. In any county which fails to demonstrate that it follows accepted guidelines and practices, the percentage to be applied shall be the median ratio for real property. The percentage established in a year in which a sales assessment ratio study is conducted shall continue to be applied until another study is conducted by the Department of Revenue.

(c) Notice of the median ratio and the percentage to be applied for each county shall be given by the Department of Revenue to the chairman of the board of

commissioners not later than April 15 of the year for which it is to be effective. Notice shall also be given at the same time to the public service companies whose property values are subject to adjustment under this section. Either the county or an affected public service company may challenge the real property ratio or the percentage established by the Department of Revenue by giving notice of exception within 30 days after the mailing of the Department's notice. Upon receipt of such notice of exception, the Department shall arrange a conference with the challenging party or parties to review the matter. Following the conference, the Department shall notify the challenging party or parties of its final determination in the matter. Either party may appeal the Department's determination to the Property Tax Commission by giving notice of appeal within 30 days after the mailing of the Department's decision."

Sec. 2. G.S. 105-299 is amended by inserting the following sentences after the first sentence of that section:

"The county may make available to such persons any information it has that will facilitate the performance of a contract entered into pursuant to this section. Persons receiving such information shall be subject to the provisions of G.S. 105-289(e) and G.S. 105-259 regarding the use and disclosure of information provided to them by the county."

Sec. 3. G.S. 105-289(h) is rewritten to read as follows:

"(h) To make studies of the ratio of the appraised value of real property to its true value in money in each county in the years in which the county conducts a general reappraisal of real property under G.S. 105-286(a) and in the fourth and seventh years thereafter. The studies shall be conducted in accordance with generally accepted principles and procedures for sales assessment ratio studies."

Sec. 4. G.S. 105-342(c) is repealed.

Sec. 5. Sections 1 and 3 of this act shall become effective January 1, 1987. Sections 2 and 5 are effective upon ratification. Section 4 shall become effective in each county as of January 1 of the year in which sales assessment ratio studies are first required to be conducted in the county by the Department of Revenue under Section 1.

In the General Assembly read three times and ratified, this the 4th day of July, 1985.