

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

SESSION LAW 2011-368
HOUSE BILL 417

AN ACT TO EXTEND THE TIME PERIOD FOR HOLDING REAL PROPERTY AS A FUTURE SITE FOR HOUSING FOR LOW- OR MODERATE-INCOME INDIVIDUALS AND FAMILIES.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 105-278.6 reads as rewritten:

"§ 105-278.6. **Real and personal property used for charitable purposes.**

(a) Real and personal property owned by:

...

(8) A nonprofit organization providing housing for individuals or families with low or moderate incomes

shall be exempted from taxation if: (i) As to real property, it is actually and exclusively occupied and used, and as to personal property, it is entirely and completely used, by the owner for charitable purposes; and (ii) the owner is not organized or operated for profit.

...

(e) Real property held by an organization described in subdivision (a)(8) for a charitable purpose under this section as a future site for housing for individuals or families with low or moderate incomes may be classified under this section for no more than ~~five~~ 10 years. The taxes that would otherwise be due on real property exempt under this subsection shall be a lien on the property as provided in G.S. 105-355(a). The taxes shall be carried forward in the records of the taxing unit as deferred taxes. The deferred taxes are due and payable in accordance with G.S. 105-277.1F when the property loses its eligibility for deferral as a result of a disqualifying event. A disqualifying event occurs when the property was not used for low- or moderate-income housing within ~~five~~ 10 years from the first day of the fiscal year the property was classified under this subsection. In addition to the provisions in G.S. 105-277.1F, all liens arising under this subdivision are extinguished when the property is used for low- or moderate-income housing within the time period allowed under this subsection."

SECTION 2. This act is effective for taxes imposed for taxable years beginning on or after July 1, 2011.

In the General Assembly read three times and ratified this the 17th day of June, 2011.

s/ Walter H. Dalton
President of the Senate

s/ Thom Tillis
Speaker of the House of Representatives



s/ Beverly E. Perdue
Governor

Approved 12:47 p.m. this 27th day of June, 2011