

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1989

H

2

HOUSE BILL 42
Committee Substitute Favorable 5/8/89

Short Title: Disclosure of Sales Price.

(Public)

Sponsors:

Referred to:

January 19, 1989

1 A BILL TO BE ENTITLED
2 AN ACT TO OBTAIN INFORMATION ON REAL PROPERTY MARKET SALES
3 DATA.

4 The General Assembly of North Carolina enacts:

5 Section 1. Chapter 105 of the General Statutes is amended by adding a new
6 section to read:

7 "**§ 105-303.1. Obtaining information on real property market sales data.**

8 (a) Procedure. To facilitate the accuracy of county tax revaluations and the
9 reliability of the State's sales-assessment ratio required by G.S. 105-289(h), the county
10 assessor shall mail to the record owner of real property conveyed by an instrument
11 subject to G.S. 105-228.30, when the interest conveyed is in fee simple and the
12 transaction meets the Department of Revenue's published sales ratio study guidelines, a
13 real property transfer disclosure statement to be completed by the owner and returned to
14 the assessor. The assessor shall mail the disclosure statement to the owner within 30
15 days after the tax office has received a copy of the instrument conveying the property
16 from the office of the register of deeds. The owner should return the disclosure
17 statement to the assessor within 30 days after the date the disclosure statement was
18 mailed to him.

19 (b) Content of Statement. The real property transfer disclosure statement shall
20 state the date the tax assessor mailed the disclosure statement to the record owner of the
21 property conveyed and the confidentiality provisions of subsection (c). Space shall be
22 provided on the disclosure statement for the owner of the property conveyed to:

23 (1) State the name and address of the seller or grantor;

- 1 (2) State the name and address of the buyer or grantee;
2 (3) State the total consideration given for the property, including the
3 amount of any loan assumed by the grantee; and
4 (4) Certify that the consideration stated is the result of an arms length
5 transaction and is the true market value of the property transferred. If
6 the consideration stated is not the true market value for the property
7 transferred, space shall be provided on the disclosure statement for the
8 owner to give a brief description of the transaction.

9 (c) Confidentiality of Statement. A real property transfer disclosure statement is
10 not open to inspection by the public. It shall, however, be made available to the
11 Department of Revenue upon request. A disclosure statement may be used only by the
12 assessor or the Department of Revenue in making or defending a sales-assessment ratio
13 study, developing schedules of value, or defending appraisals in administrative or
14 judicial proceedings. It is unlawful for a local tax official or employee, or an officer or
15 employee of the Department of Revenue, to disclose information in a real property
16 transfer disclosure statement for a purpose other than the purposes listed in this
17 subsection.

18 (d) Penalties. A person who unlawfully discloses information in a disclosure
19 statement is guilty of a misdemeanor and is punishable by a fine of not less than two
20 hundred dollars (\$200.00) and not more than one thousand dollars (\$1,000)."

21 Sec. 2. This act shall become effective January 1, 1990.