

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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SENATE BILL 1064*

Finance Committee Substitute Adopted 5/12/97

House Committee Substitute Favorable 5/29/97

Short Title: Property Tax Interest/Study.

(Public)

Sponsors:

Referred to:

April 21, 1997

A BILL TO BE ENTITLED

1 AN ACT TO ALLOW A TAXPAYER WHO PREVAILS IN A PROPERTY TAX
2 APPEAL TO RECEIVE INTEREST ON ANY OVERPAYMENT OF TAX AND TO
3 AUTHORIZE THE LEGISLATIVE RESEARCH COMMISSION TO STUDY
4 VARIOUS PROPERTY TAX ISSUES.
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6 The General Assembly of North Carolina enacts:

7 Section 1. G.S. 105-290(b) is amended by adding a new subdivision to read:

8 "(4) Interest on Overpayments. – When an order of the Property Tax
9 Commission reduces the valuation of property or removes the property
10 from the tax lists and, based on the order, the taxpayer has paid more tax
11 than is due on the property, the taxpayer is entitled to receive interest on
12 the overpayment in accordance with this subdivision. An overpayment
13 of tax bears interest at the rate set under G.S. 105-241.1(i) from the date
14 the interest begins to accrue until a refund is paid. Interest accrues from
15 the later of the date the tax was paid and the date the tax would have
16 been considered delinquent under G.S. 105-360. A refund is considered
17 paid on a date determined by the governing body of the taxing unit that
18 is no sooner than five days after a refund check is mailed."

1 Section 2. The Legislative Research Commission may study the methods used
2 by counties to develop the schedules of value for a general reappraisal of real property,
3 the appeal process for appeals of the value or listing of property, and the octennial
4 revaluation schedule. The Commission may assign these topics to a study committee
5 established to study various tax issues or may create a separate study committee to study
6 these topics. In conducting the study, the Commission may determine whether the
7 procedures used in developing schedules of value produce unrealistic values on
8 nonresidential real property, whether representatives of the Department of Revenue
9 should be given more authority in resolving taxpayer appeals, and whether the Property
10 Tax Commission should be replaced with a State Tax Court. The Commission may make
11 an interim report of its findings to the 1998 Regular Session of the 1997 General
12 Assembly and may make a final report to the 1999 General Assembly.

13 Section 3. This act becomes effective July 1, 1997. Section 1 of this act
14 applies to appeals made to the Property Tax Commission on or after the effective date of
15 this act.