March 16, 2005

H 648. EXEMPT BUILDER'S INVENTORY. *TO EXEMPT FROM PROPERTY TAX THE INCREASE IN VALUE OF REAL PROPERTY HELD FOR SALE BY A BUILDER, TO THE EXTENT THE INCREASE IS ATTRIBUTABLE TO SUBDIVISION OR IMPROVEMENTS BY THE BUILDER*. Enacts new GS 105-277.02 to exclude from the property tax base any increase in the value of real property owned by a builder (i.e., a taxpayer engaged in the business of buying property, improving it, and then reselling it) attributable to the builder's actions in subdividing or improving the property, as long as the builder continues to hold the property for sale. Requires annual application for the exclusion. Also amends GS 105-287(d) to require (was, permit) tax assessor to appraise the unsold portion of a subdivided tract as land acreage rather than as lots, if more than five acres of the tract remain unsold. Effective beginning with 2006-07 tax year.
Intro. by Moore.
Ref. to Finance GS 105