GENERAL ASSEMBLY OF NORTH CAROLINA **SESSION 2007**

Η D

HOUSE DRH20068-MC-168 (03/22)

Short Title: CCRC Lease - Property Tax. (Public) Sponsors: Representative Weiss. Referred to: A BILL TO BE ENTITLED AN ACT TO EXPAND THE TYPE OF CONTINUING CARE RETIREMENT

COMMUNITIES THAT QUALIFY FOR A PROPERTY TAX EXEMPTION.

The General Assembly of North Carolina enacts:

1

2

3

4

5

6

7 8

9 10

11 12

13

14

15

16 17

18

19

20 21

22

23

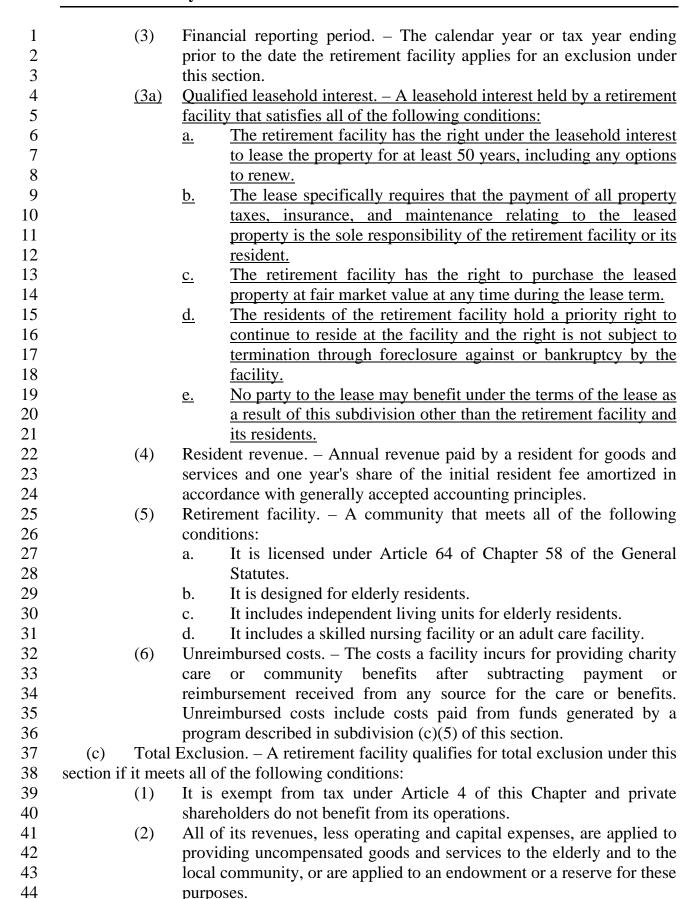
24

25

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

"§ 105-278.6A. Qualified retirement facility.

- Classification. Buildings, the land they actually occupy, additional adjacent land reasonably necessary for the convenient use of the buildings, and personal property owned owned, or leased pursuant to a qualified leasehold interest, by a qualified retirement facility and used in the operation of that facility are designated a special class of property under Section 2(2) of Article V of the North Carolina Constitution and are excluded from taxation to the extent provided in this section.
 - Definitions. The following definitions apply in section:
 - Charity care. The unreimbursed costs to the facility of providing (1) health care, housing, or other services to a resident who is uninsured, underinsured, or otherwise unable to pay for all or part of the services rendered.
 - Community benefits. The unreimbursed costs to the facility of (2) providing the following:
 - Services, including health, recreation, community research, and education activities provided to the community at large, including the elderly.
 - Charitable donations. b.
 - Donated volunteer services. c.
 - Donations and voluntary payments to government agencies. d.



Page 2 H1981 [Filed]

- (3) Its charter provides that in the event of dissolution, its assets will revert or be conveyed to an entity that is organized exclusively for charitable, educational, scientific, or religious purposes, and is an exempt organization under section 501(c)(3) of the Code.
- (4) Repealed by Session Laws 2001-17, s. 1.
- (5) It has an active program to generate funds through one or more sources, such as gifts, grants, trusts, bequests, endowment, or an annual giving program, to assist the retirement facility in serving persons who might not be able to reside there without financial assistance or subsidy.
- (6) It meets at least one of the following conditions:
 - a. The facility serves all residents without regard to the residents' ability to pay.
 - b. At least five percent (5%) of the facility's resident revenue for the financial reporting period is provided in charity care to its residents, in community benefits, or in both.
- (d) Partial Exclusion. A retirement facility qualifies for a partial exclusion under this subsection if it meets conditions under subdivisions (c)(1) through (c)(5) of this section and at least one percent (1%) of the facility's resident revenue for the financial reporting period is provided in charity care to its residents, in community benefits, or in both. The percentage of the retirement facility's assessed value that is excluded from taxation is the applicable percentage provided in the following table, based on the minimum percentage of the facility's resident revenue that it provides in charity care to its residents, in community benefits, or in both:

24	
25	

26		Minimum Percentage of
27	Partial Exclusion	Resident Revenue
28	80%	4%
29	60%	3%
30	40%	2%
31	20%	1%

(e) Application for Exclusion. – The application requirements of G.S. 105-282.1 apply to this section."

SECTION 2. This act is effective for taxes imposed for taxable years beginning on or after July 1, 2008.

H1981 [Filed] Page 3