

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

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SENATE BILL 1367*

Short Title: Increase Property Tax Appeals Efficiency. (Local)

Sponsors: Senator Dannelly.

Referred to: Finance.

May 26, 2010

1 A BILL TO BE ENTITLED
2 AN ACT TO INCREASE THE EFFICIENCY OF PROPERTY TAX APPEALS IN
3 MECKLENBURG COUNTY.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** Chapter 509 of the 1981 Session Laws is repealed.

6 **SECTION 2.** Section 3 of this act applies only to Mecklenburg County.

7 **SECTION 3.** G.S. 105-322 reads as rewritten:

8 "**§ 105-322. County board of equalization and review.**

9 (a) Personnel. – Except as otherwise provided herein, the board of equalization and
10 review of each county shall be composed of the members of the board of county
11 commissioners.

12 Upon the adoption of a resolution so providing, the board of commissioners is authorized to
13 appoint a special board of equalization and review to carry out the duties imposed under this
14 section. The resolution shall provide for the membership, qualifications, separation into panels,
15 terms of office and the filling of vacancies on the board. The board of commissioners shall also
16 designate the clerk to and chairman of the special board. The resolution may also authorize a
17 taxpayer to appeal a decision of the special board with respect to the listing or appraisal of his
18 property or the property of others to the board of county commissioners. The resolution shall be
19 adopted not later than the first Monday in March of the year for which it is to be effective and
20 shall continue in effect until revised or rescinded. It shall be entered in the minutes of the
21 meeting of the board of commissioners and a copy thereof shall be forwarded to the
22 Department of Revenue within 15 days after its adoption.

23 ~~Nothing in this subsection (a) shall be construed as repealing any law creating a special~~
24 ~~board of equalization and review or creating any board charged with the duties of a board of~~
25 ~~equalization and review in any county.~~

26 (b) Compensation. – The board of county commissioners shall fix the compensation and
27 allowances to be paid members of the board of equalization and review for their services and
28 expenses.

29 (c) Oath. – Each member of the board of equalization and review shall take the oath
30 required by Article VI, § 7 of the North Carolina Constitution with the following phrase added
31 to it: "that I will not allow my actions as a member of the board of equalization and review to
32 be influenced by personal or political friendships or obligations,". The oath must be filed with
33 the clerk of the board of county commissioners.

34 (d) Clerk and Minutes. – ~~The assessor shall serve as clerk to the board of equalization~~
35 ~~and review,~~ review shall be present at all meetings, shall maintain accurate minutes of the
36 actions of the board, and shall give to the board such information as he may have or can obtain
37 with respect to the listing and valuation of taxable property in the county.



1 (e) Time of Meeting. – Each year the board of equalization and review shall hold its
2 first meeting not earlier than the first Monday in April and not later than the first Monday in
3 May. In years in which a county does not conduct a real property revaluation, the board shall
4 complete its duties on or before the third Monday following its first meeting unless, in its
5 opinion, a longer period of time is necessary or expedient to a proper execution of its
6 responsibilities. Except as provided in subdivision (g)(5) of this section, the board may not sit
7 later than July 1 except to hear and determine requests made under the provisions of
8 subdivision (g)(2), below, when such requests are made within the time prescribed by law. In
9 the year in which a county conducts a real property revaluation, the board shall complete its
10 duties on or before December 1, except that it may sit after that date to hear and determine
11 requests made under the provisions of subdivision (g)(2), below, when such requests are made
12 within the time prescribed by law. From the time of its first meeting until its adjournment, the
13 board shall meet at such times as it deems reasonably necessary to perform its statutory duties
14 and to receive requests and hear the appeals of taxpayers under the provisions of subdivision
15 (g)(2), below.

16 (f) Notice of Meetings and Adjournment. – A notice of the date, hours, place, and
17 purpose of the first meeting of the board of equalization and review shall be published at least
18 three times in some newspaper having general circulation in the county, the first publication to
19 be at least 10 days prior to the first meeting. The notice shall also state the dates and hours on
20 which the board ~~will meet following its first meeting and the date on which it expects to~~
21 adjourn; it shall also carry a statement that in the event of earlier or later adjournment, notice to
22 that effect will be published in the same newspaper. Should a notice be required on account of
23 earlier adjournment, it shall be published at least once in the newspaper in which the first notice
24 was published, such publication to be at least five days prior to the date fixed for adjournment.
25 Should a notice be required on account of later adjournment, it shall be published at least once
26 in the newspaper in which the first notice was published, such publication to be prior to the date
27 first announced for adjournment.

28 (g) Powers and Duties. – The board of equalization and review has the following
29 powers and duties:

- 30 (1) Duty to Review Tax Lists. – The board shall examine and review the tax
31 lists of the county for the current year to the end that all taxable property
32 shall be listed on the abstracts and tax records of the county and appraised
33 according to the standard required by G.S. 105-283, and the board shall
34 correct the abstracts and tax records to conform to the provisions of this
35 Subchapter. In carrying out its responsibilities under this subdivision (g)(1),
36 the board, on its own motion or on sufficient cause shown by any person,
37 shall:
- 38 a. List, appraise, and assess any taxable real or personal property that
39 has been omitted from the tax lists.
 - 40 b. Correct all errors in the names of persons and in the description of
41 properties subject to taxation.
 - 42 c. Increase or reduce the appraised value of any property that, in the
43 board's opinion, has been listed and appraised at a figure that is
44 below or above the appraisal required by G.S. 105-283; however, the
45 board shall not change the appraised value of any real property from
46 that at which it was appraised for the preceding year except in
47 accordance with the terms of G.S. 105-286 and 105-287.
 - 48 d. Cause to be done whatever else is necessary to make the lists and tax
49 records comply with the provisions of this Subchapter.

- 1 e. Embody actions taken under the provisions of subdivisions (g)(1)a
2 through (g)(1)d, above, in appropriate orders and have the orders
3 entered in the minutes of the board.
- 4 f. Give written notice to the taxpayer at the taxpayer's last known
5 address in the event the board, by appropriate order, increases the
6 appraisal of any property or lists for taxation any property omitted
7 from the tax lists under the provisions of this subdivision (g)(1).
- 8 (2) Duty to Hear Taxpayer Appeals. – On request, the board of equalization and
9 review shall hear any taxpayer who owns or controls property taxable in the
10 county with respect to the listing or appraisal of the taxpayer's property or
11 the property of others.
- 12 a. A request for a hearing under this subdivision (g)(2) shall be made in
13 writing to or by personal appearance before the board prior to its
14 adjournment. However, if the taxpayer requests review of a decision
15 made by the board under the provisions of subdivision (g)(1), above,
16 notice of which was mailed fewer than 15 days prior to the board's
17 adjournment, the request for a hearing thereon may be made within
18 15 days after the notice of the board's decision was mailed.
- 19 b. Taxpayers may file separate or joint requests for hearings under the
20 provisions of this subdivision (g)(2) at their election.
- 21 c. At a hearing under provisions of this subdivision (g)(2), the board, in
22 addition to the powers it may exercise under the provisions of
23 subdivision (g)(3), below, shall hear any evidence offered by the
24 appellant, the assessor, and other county officials that is pertinent to
25 the decision of the appeal. Upon the request of an appellant, the
26 board shall subpoena witnesses or documents if there is a reasonable
27 basis for believing that the witnesses have or the documents contain
28 information pertinent to the decision of the appeal.
- 29 d. On the basis of its decision after any hearing conducted under this
30 subdivision (g)(2), the board shall adopt and have entered in its
31 minutes an order reducing, increasing, or confirming the appraisal
32 appealed or listing or removing from the tax lists the property whose
33 omission or listing has been appealed. The board shall notify the
34 appellant by mail as to the action taken on the taxpayer's appeal not
35 later than 30 days after the board's adjournment.
- 36 (3) Powers in Carrying Out Duties. – In the performance of its duties under
37 subdivisions (g)(1) and (g)(2), above, the board of equalization and review
38 may exercise the following powers:
- 39 a. It may appoint committees composed of its own members or other
40 persons to assist it in making investigations necessary to its work. It
41 may also employ expert appraisers in its discretion. The expense of
42 the employment of committees or appraisers shall be borne by the
43 county. The board may, in its discretion, require the taxpayer to
44 reimburse the county for the cost of any appraisal by experts
45 demanded by the taxpayer if the appraisal does not result in material
46 reduction of the valuation of the property appraised and if the
47 appraisal is not subsequently reduced materially by the board or by
48 the Department of Revenue.
- 49 b. The board, in its discretion, may examine any witnesses and
50 documents. It may place any witnesses under oath administered by
51 any member of the board. It may subpoena witnesses or documents

1 on its own motion, and it must do so when a request is made under
2 the provisions of subdivision (g)(2)c, above.

3 A subpoena issued by the board shall be signed by the chair of
4 the board, directed to the witness or to the person having custody of
5 the document, and served by an officer authorized to serve
6 subpoenas. Any person who willfully fails to appear or to produce
7 documents in response to a subpoena or to testify when appearing in
8 response to a subpoena shall be guilty of a Class 1 misdemeanor.

9 (4) Power to Submit Reports. – Upon the completion of its other duties, the
10 board may submit to the Department of Revenue a report outlining the
11 quality of the reappraisal, any problems it encountered in the reappraisal
12 process, the number of appeals submitted to the board and to the Property
13 Tax Commission, the success rate of the appeals submitted, and the name of
14 the firm that conducted the reappraisal. A copy of the report should be sent
15 by the board to the firm that conducted the reappraisal.

16 (5) ~~Duty to Change Abstracts and Records~~ After Adjournment. – Following
17 adjournment upon completion of its duties under subdivisions (g)(1) and
18 (g)(2) of this subsection, the board may continue to meet to carry out the
19 following duties:

20 a. To hear and decide all appeals relating to discovered property under
21 G.S. 105-312(d) and (k).

22 b. To hear and decide all appeals relating to the appraisal, situs, and
23 taxability of classified motor vehicles under G.S. 105-330.2(b).

24 c. To hear and decide all appeals relating to audits conducted under
25 G.S. 105-296(j) and relating to audits conducted under
26 G.S. 105-296(j) and (l) of property classified at present-use value and
27 property exempted or excluded from taxation.

28 d. To hear and decide all appeals relating to personal property under
29 G.S. 105-317.1(c).

30 e. To appraise or reappraise property when the assessor reports to the
31 board that, since adjournment, facts have come to his attention that
32 render it advisable to raise or lower the appraisal of some particular
33 property of a given taxpayer in the then current calendar year, subject
34 to the following limitations:

35 1. No change of appraisal may occur due to events or
36 circumstances that have taken place or arisen since the day as
37 of which property is to be listed.

38 2. A change of appraisal resulting from the property being listed
39 at a substantial understatement of value, quantity, or other
40 measurement shall be governed by the provisions of
41 G.S. 105-312.

42 3. No change of appraisal may occur that will adversely affect
43 the interests of any taxpayer unless he is given written notice
44 thereof and an opportunity to be heard before the appraisal or
45 reappraisal shall become final."

46 **SECTION 4.** Section 1 of this act becomes effective only upon the adoption of a
47 resolution by the Mecklenburg Board of County Commissioners under Section 3 of this act.
48 The remainder of this act is effective when it becomes law.