

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1989

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HOUSE BILL 457
Committee Substitute Favorable 4/18/89
Committee Substitute #2 Favorable 6/6/89
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Short Title: Property Used by Government/Tax.

(Public)

Sponsors:

Referred to:

March 6, 1989

A BILL TO BE ENTITLED

1 AN ACT TO EXCLUDE FROM AD VALOREM TAXATION REAL AND
2 PERSONAL PROPERTY OWNED BY NONPROFIT ORGANIZATIONS AND
3 LEASED BY UNITS OF GOVERNMENT FOR PUBLIC PURPOSES.
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5 The General Assembly of North Carolina enacts:

6 Section 1. G.S. 105-275 is amended by adding a new subdivision to read:

7 "(39) Real and personal property that is owned by a nonprofit corporation
8 organized under Chapter 55A of the General Statutes, is leased to a unit of local
9 government whose property is exempt from taxation under G.S. 105-278.1, and is used
10 in whole or in part for a public purpose by such unit of local government. If only part of
11 the property is used for a public purpose, only that part, according to its value, is not
12 subject to tax."

13 Sec. 2. G.S. 105-282.1(a) reads as rewritten:

14 "(a) Every owner of property claiming exemption or exclusion from property
15 taxes under the provisions of this Subchapter has the burden of establishing that the
16 property is entitled thereto. Except as provided below, an owner claiming exemption or
17 exclusion shall annually file an application for exemption or exclusion during the listing
18 period. If the property for which the exemption or exclusion is claimed is appraised by
19 the Department of Revenue, the application shall be filed with the Department.
20 Otherwise, the application shall be filed with the assessor of the county in which the
21 property is situated. If the property covered by the application is located within a

1 municipality, that fact shall be shown on the application. Each application filed with the
2 Department of Revenue or an assessor shall be submitted on a form approved by the
3 Department. Application forms shall be made available by the assessor and the
4 Department, as appropriate.

5 (1) The United States government, the State of North Carolina and the
6 counties and municipalities of the State are exempted from the
7 requirement that owners file applications for exemption.

8 (2) Owners of the special classes of property excluded from taxation under
9 G.S. 105-275(5), (15), (16), (26), (31), (33), or (34), or exempted
10 under G.S. 105-278.2 are not required to file applications for the
11 exclusion of that property.

12 (3) After an owner of property entitled to exemption under G.S. 105-
13 277.1, 105-278.3, 105-278.4, 105-278.5, 105-278.6, 105-278.7, or
14 105-278.8 or exclusion under G.S. 105-275(3), ~~(7) or (7)~~, (12) or (39)
15 or G.S. 105-278 has applied for exemption and the exemption has been
16 approved, such owner shall not be required to file applications in
17 subsequent years except in the following circumstances:

18 a. New or additional property is acquired or improvements are
19 added or removed, necessitating a change in the valuation of the
20 property, or

21 b. There is a change in the use of the property or the qualifications
22 or eligibility of the taxpayer necessitating a review of the
23 exemption.

24 (4) Upon a showing of good cause by the applicant for failure to make a
25 timely application, an application for exemption or exclusion filed
26 after the close of the listing period may be approved by the
27 Department of Revenue, the board of equalization and review, the
28 board of county commissioners, or the governing body of a
29 municipality, as appropriate. An untimely application for exemption
30 or exclusion approved under this subdivision applies only to property
31 taxes levied by the county or municipality in the calendar year in
32 which the untimely application is filed."

33 Sec. 3. This act is effective for taxable years beginning on or after January 1,
34 1989. Notwithstanding the provisions of G.S. 105-282.1(a), an application for the
35 exclusion provided in this act for the 1989 tax year shall be considered timely if it is
36 filed on or before September 1, 1989.