

**NORTH CAROLINA GENERAL ASSEMBLY
LEGISLATIVE FISCAL NOTE**

BILL NUMBER: House Bill 1138
SHORT TITLE: Property Tax Interest/Study
SPONSOR(S): Representative Dickson, et al.

FISCAL IMPACT

Yes () No () No Estimate Available (X)

FY 1997-98 FY 1998-99 FY 1999-00 FY 2000-01 FY 2001-02

REVENUES See section on assumptions and methodology

PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: Local unity of government that levy a property tax

EFFECTIVE DATE: July 1, 1997

BILL SUMMARY:

The Machinery Act does not provides for the payment of interest when a taxpayer has paid more tax than is owed on property, due to a reduction in the value of the property, resulting from actions of the Property Tax Commission. This act sets the interest rate equal to the rate authorized under G.S. 105-241.1(i) which is set each year by the Secretary of Revenue.

The Legislative Research Commission is authorized to study various property tax issues.

ASSUMPTIONS AND METHODOLOGY:

The impact of this legislation is indeterminate. According to the Commission's staff, in the majority of the appeals heard before the Commission, the county's values are sustained. A ruling in favor of the county could require the taxpayer to pay a balance in the taxes owed if the taxpayer did not pay the full amount of tax when due.

FISCAL RESEARCH DIVISION

733-4910

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DATE: May 12, 1997



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