

**NORTH CAROLINA GENERAL ASSEMBLY**

**LEGISLATIVE FISCAL NOTE**

**BILL NUMBER:** HB 393 (3rd Edition)

**SHORT TITLE:** Modify County Tax Certification Authority

**SPONSOR(S):** Rep. Stam

<b>FISCAL IMPACT</b>				
Yes ( )	No ( )	No Estimate Available (X)		
<u>FY 2003-04</u>	<u>FY 2004-05</u>	<u>FY 2005-06</u>	<u>FY 2006-07</u>	<u>FY 2007-08</u>
<b>REVENUES</b>				
<b>General Fund</b>				
* No General Fund Impact *				
<b>Local Government</b>				
* See Assumptions and Methodology *				
<b>PRINCIPAL DEPARTMENT(S) &amp; PROGRAM(S) AFFECTED:</b> County Registers of Deeds and County Tax Collectors.				
<b>EFFECTIVE DATE:</b> When it becomes law.				

**BILL SUMMARY:** Under current law, some county commissions are authorized to require that the Register of Deeds not accept any deed transferring real property until the Tax Collector certifies that no delinquent taxes are due. The bill adds Hyde County to the list of counties with that authority. The legislation also modifies the deed block noted above to require a Register of Deeds to allow the deed to be filed when tax is still due if the deed registration is submitted by a closing attorney who notes, in writing, "Delinquent taxes, if any, to be paid by the closing attorney to the county tax collector upon disbursement of closing proceeds."

**ASSUMPTIONS AND METHODOLOGY:** Currently 45 counties have the authority to block deed registrations if county taxes are still due on real property. No data is currently available to Fiscal Research on how often deed registrations and transfers are blocked in these counties. It is also not clear how the new language allowing closing attorneys to certify that the tax will be paid will affect revenues, although it clearly would facilitate the process of filing a deed. Therefore, no fiscal estimate is possible on this bill.

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**APPROVED BY:** James D. Johnson, Director, Fiscal Research Division

**DATE:** May 7, 2003



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