

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

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HOUSE DRH70099-MC-127 (03/11)

Short Title: Extend Time For Site Of Low/Mod. Inc. Housing.

(Public)

Sponsors: Representative McGrady.

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO EXTEND THE TIME PERIOD FOR HOLDING REAL PROPERTY AS A
3 FUTURE SITE FOR HOUSING FOR LOW- OR MODERATE-INCOME INDIVIDUALS
4 AND FAMILIES.

5 The General Assembly of North Carolina enacts:

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

7 "**§ 105-278.6. Real and personal property used for charitable purposes.**

8 (a) Real and personal property owned by:

9 ...

10 (8) A nonprofit organization providing housing for individuals or families with
11 low or moderate incomes
12 shall be exempted from taxation if: (i) As to real property, it is actually and exclusively
13 occupied and used, and as to personal property, it is entirely and completely used, by the owner
14 for charitable purposes; and (ii) the owner is not organized or operated for profit.

15 ...

16 (e) Real property held by an organization described in subdivision (a)(8) for a
17 charitable purpose under this section as a future site for housing for individuals or families with
18 low or moderate incomes may be classified under this section for no more than ~~five~~ 10 years.
19 The taxes that would otherwise be due on real property exempt under this subsection shall be a
20 lien on the property as provided in G.S. 105-355(a). The taxes shall be carried forward in the
21 records of the taxing unit as deferred taxes. The deferred taxes are due and payable in
22 accordance with G.S. 105-277.1F when the property loses its eligibility for deferral as a result
23 of a disqualifying event. A disqualifying event occurs when the property was not used for low-
24 or moderate-income housing within ~~five~~ 10 years from the first day of the fiscal year the
25 property was classified under this subsection. In addition to the provisions in G.S. 105-277.1F,
26 all liens arising under this subdivision are extinguished when the property is used for low- or
27 moderate-income housing within the time period allowed under this subsection."

28 **SECTION 2.** This act is effective for taxes imposed for taxable years beginning on
29 or after July 1, 2011.

