

§ 153A-149. Property taxes; authorized purposes; rate limitation.

(a) Pursuant to Article V, Sec. 2(5) of the Constitution of North Carolina, the General Assembly confers upon each county in this State the power to levy, within the limitations set out in this section, taxes on property having a situs within the county under the rules and according to the procedures prescribed in the Machinery Act (Chapter 105, Subchapter II).

(b) Each county may levy property taxes without restriction as to rate or amount for the following purposes:

- (1) Courts. – To provide adequate facilities for and the county's share of the cost of operating the General Court of Justice in the county.
- (2) Debt Service. – To pay the principal of and interest on all general obligation bonds and notes of the county.
- (3) Deficits. – To supply an unforeseen deficiency in the revenue (other than revenues of public enterprises), when revenues actually collected or received fall below revenue estimates made in good faith and in accordance with the Local Government Budget and Fiscal Control Act.
- (4) Elections. – To provide for all federal, State, district and county elections.
- (5) Jails. – To provide for the operation of a jail and other local confinement facilities.
- (6) Joint Undertakings. – To cooperate with any other county, city, or political subdivision in providing any of the functions, services, or activities listed in this subsection.
- (7) Schools. – To provide for the county's share of the cost of kindergarten, elementary, secondary, and post-secondary public education.
- (8) Social Services. – To provide for public assistance required by Chapters 108A and 111 of the General Statutes.

(c) Each county may levy property taxes for one or more of the purposes listed in this subsection up to a combined rate of one dollar and fifty cents (\$1.50) on the one hundred dollars (\$100.00) appraised value of property subject to taxation. Authorized purposes subject to the rate limitation are:

- (1) To provide for the general administration of the county through the board of county commissioners, the office of the county manager, the office of the county budget officer, the office of the county finance officer, the office of the county assessor, the office of the county tax collector, the county purchasing agent, and the county attorney, and for all other general administrative costs not allocated to a particular board, commission, office, agency, or activity of the county.
- (2) Agricultural Extension. – To provide for the county's share of the cost of maintaining and administering programs and services offered to agriculture by or through the Agricultural Extension Service or other agencies.
- (3) Air Pollution. – To maintain and administer air pollution control programs.
- (4) Airports. – To establish and maintain airports and related aeronautical facilities.
- (5) Ambulance Service. – To provide ambulance services, rescue squads, and other emergency medical services.
- (6) Animal Protection and Control. – To provide animal protection and control programs.
- (6a) Arts Programs and Museums. – To provide for arts programs and museums as authorized in G.S. 160A-488.
- (6b) Auditoriums, coliseums, and convention and civic centers. – To provide public auditoriums, coliseums, and convention and civic centers.

- (7) Beach Erosion and Natural Disasters. – To provide for shoreline protection, beach erosion control, and flood and hurricane protection.
- (8) Cemeteries. – To provide for cemeteries.
- (9) Civil Preparedness. – To provide for civil preparedness programs.
- (10) Debts and Judgments. – To pay and discharge any valid debt of the county or any judgment lodged against it, other than debts and judgments evidenced by or based on bonds and notes.
- (10a) Defense of Employees and Officers. – To provide for the defense of, and payment of civil judgments against, employees and officers or former employees and officers, as authorized by this Chapter.
- (10b) Economic Development. – To provide for economic development as authorized by G.S. 158-7.1.
- (10c) Energy Financing. – To provide financing for renewable energy and energy efficiency in accordance with a program established under G.S. 153A-455.
- (11) Fire Protection. – To provide fire protection services and fire prevention programs.
- (12) Forest Protection. – To provide forest management and protection programs.
- (13) Health. – To provide for the county's share of maintaining and administering services offered by or through the local health department.
- (14) Historic Preservation. – To undertake historic preservation programs and projects.
- (15) Hospitals. – To establish, support and maintain public hospitals and clinics, and other related health programs and facilities, or to aid any private, nonprofit hospital, clinic, related facility, or other health program or facility.
- (15a) Housing Rehabilitation. – To provide for housing rehabilitation programs authorized by G.S. 160D-1311, including personnel costs related to the planning and administration of these programs. This subdivision applies only to counties with a population of 400,000 or more, according to the most recent decennial federal census.
- (15b) Housing. – To undertake housing programs for low- and moderate-income persons as provided in G.S. 160D-1316.
- (16) Human Relations. – To undertake human relations programs.
- (16a) Industrial Development. – To provide for industrial development as authorized by G.S. 158-7.1.
- (17) Joint Undertakings. – To cooperate with any other county, city, or political subdivision in providing any of the functions, services, or activities listed in this subsection.
- (18) Law Enforcement. – To provide for the operation of the office of the sheriff of the county and for any other county law-enforcement agency not under the sheriff's jurisdiction.
- (19) Libraries. – To establish and maintain public libraries.
- (20) Mapping. – To provide for mapping the lands of the county.
- (21) Medical Examiner. – To provide for the county medical examiner or coroner.
- (22) Mental Health. – To provide for the county's share of the cost of maintaining and administering services offered by or through the area mental health, developmental disabilities, and substance abuse authority.
- (23) Open Space. – To acquire open space land and easements in accordance with Part 1 of Article 13 of Chapter 160D of the General Statutes.
- (24) Parking. – To provide off-street lots and garages for the parking and storage of motor vehicles.

- (25) Parks and Recreation. – To establish, support and maintain public parks and programs of supervised recreation.
- (26) Planning. – To provide for a program of planning and regulation of development in accordance with Chapter 160D of the General Statutes.
- (26a) Ports and Harbors. – To participate in programs with the North Carolina Ports Authority and provide for harbor masters.
- (27) Public Transportation. – To provide public transportation by rail, motor vehicle, or another means of conveyance other than a ferry, including any facility or equipment needed to provide the public transportation. This subdivision does not authorize a county to provide public roads in the county in violation of G.S. 136-51.
- (27a) Railway Corridor Preservation. – To acquire property for railroad corridor preservation as authorized by G.S. 160A-498.
- (28) Register of Deeds. – To provide for the operation of the office of the register of deeds of the county.
- (28a) Roads. – To provide for the maintenance of county roads as authorized by G.S. 153A-301(d).
- (29) Sewage. – To provide sewage collection and treatment services as defined in G.S. 153A-274(2).
- (30) Social Services. – To provide for the public welfare through the maintenance and administration of public assistance programs not required by Chapters 108A and 111 of the General Statutes, and by establishing and maintaining a county home.
- (31) Solid Waste. – To provide solid waste collection and disposal services, and to acquire and operate landfills.
- (31a) Stormwater. – To provide structural and natural stormwater and drainage systems of all types.
- (32) Surveyor. – To provide for a county surveyor.
- (33) Veterans' Service Officer. – To provide for the county's share of the cost of services offered by or through the county veterans' service officer.
- (34) Water. – To provide water supply and distribution systems.
- (35) Watershed Improvement. – To undertake watershed improvement projects.
- (36) Water Resources. – To participate in federal water resources development projects.
- (37) Armories. – To supplement available State or federal funds to be used for the construction (including the acquisition of land), enlargement or repair of armory facilities for the North Carolina National Guard.
- (38) Charter Schools. – To provide capital funds for charter schools as authorized by G.S. 153A-461.

(d) With an approving vote of the people, any county may levy property taxes for any purpose for which the county is authorized by law to appropriate money. Any property tax levy approved by a vote of the people shall not be counted for purposes of the rate limitation imposed in subsection (c).

The county commissioners may call a referendum on approval of a property tax levy. The referendum may be held at the same time as any other referendum or election, but may not be otherwise held within the period of time beginning 30 days before and ending 10 days after any other referendum or election to be held in the county and already validly called or scheduled by law at the time the tax referendum is called. The referendum shall be conducted by the county board of elections. The clerk to the board of commissioners shall publish a notice of the referendum at least twice. The first publication shall be not less than 14 days and the second

publication not less than seven days before the last day on which voters may register for the referendum. The notice shall state the date of the referendum, the purpose for which it is being held, and a statement as to the last day for registration for the referendum under the election laws then in effect.

The proposition submitted to the voters shall be substantially in one of the following forms:

- (1) Shall ___ County be authorized to levy annually a property tax at a rate not in excess of ___ cents on the one hundred dollars (\$100.00) value of property subject to taxation for the purpose of ___ ?
- (2) Shall ___ County be authorized to levy annually a property tax at a rate not in excess of that which will produce \$ ___ for the purpose of ___ ?
- (3) Shall ___ County be authorized to levy annually a property tax without restriction as to rate or amount for the purpose of ___ ?

If a majority of those participating in the referendum approve the proposition, the board of commissioners may proceed to levy annually a property tax within the limitations (if any) described in the proposition.

The board of elections shall canvass the referendum and certify the results to the board of commissioners. The board of commissioners shall then certify and declare the result of the referendum and shall publish a statement of the result once, with the following statement appended: "Any action or proceeding challenging the regularity or validity of this tax referendum must be begun within 30 days after (date of publication)." The statement of results shall be filed in the clerk's office and inserted in the minutes of the board.

Any action or proceeding in any court challenging the regularity or validity of a tax referendum must be begun within 30 days after the publication of the results of the referendum. After the expiration of this period of limitation, no right of action or defense based upon the invalidity of or any irregularity in the referendum shall be asserted, nor shall the validity of the referendum be open to question in any court upon any ground whatever, except in an action or proceeding begun within the period of limitation prescribed herein.

Except for supplemental school taxes and except for tax referendums on functions not included in subsection (c) of this section, any referendum held before July 1, 1973, on the levy of property taxes is not valid for the purposes of this subsection. Counties in which such referendums have been held may support programs formerly supported by voted property taxes within the general rate limitation set out in subsection (c) at any appropriate level and are not subject to the former voted rate limitation.

(e) With an approving vote of the people, any county may increase the property tax rate limitation imposed in subsection (c) and may call a referendum for that purpose. The referendum may be held at the same time as any other referendum or election, but may not be otherwise held within the period of time beginning 30 days before and ending 30 days after any other referendum or election. The referendum shall be conducted by the county board of elections.

The proposition submitted to the voters shall be substantially in the following form: "Shall the property tax rate limitation applicable to ___ County be increased from ___ on the one hundred dollars (\$100.00) value of property subject to taxation to ___ on the one hundred dollars (\$100.00) value of property subject to taxation?"

If a majority of those participating in the referendum approve the proposition, the rate limitation imposed in subsection (c) shall be increased for the county.

(f) With respect to any of the categories listed in subsections (b) and (c) of this section, the county may provide the necessary personnel, land, buildings, equipment, supplies, and financial support from property tax revenues for the program, function, or service.

(g) This section does not authorize any county to undertake any program, function, joint undertaking, or service not otherwise authorized by law. It is intended only to authorize the levy of property taxes within the limitations set out herein to finance programs, functions, or services

authorized by other portions of the General Statutes or by local acts. (1973, c. 803, s. 1; c. 822, s. 2; c. 963; c. 1446, s. 25; 1975, c. 734, s. 17; 1977, c. 148, s. 5; c. 834, s. 3; 1979, c. 619, s. 4; 1981, c. 66, s. 2; c. 562, s. 11; c. 692, s. 1; 1983, c. 511, ss. 1, 2; 1985, c. 589, s. 57; 1987, c. 45, s. 2; c. 697, s. 2; 1989, c. 600, s. 5; c. 625, s. 25; c. 643, s. 1; 1989 (Reg. Sess., 1990), c. 1005, ss. 3-5; 1991 (Reg. Sess., 1992), c. 764, s. 1; c. 896, s. 1; 1993, c. 378, s. 2; 1997-502, s. 6; 1999-366, s. 3; 2002-159, s. 50(a); 2002-172, s. 2.4(a); 2003-416, s. 2; 2009-281, s. 1; 2010-167, s. 4(b); 2022-62, s. 40; 2023-107, s. 6(c); 2023-134, s. 7.79.)