

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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HOUSE BILL 37

Short Title: Expand Homestead Exemption.

(Public)

Sponsors: Representatives Allred; Brown, Buchanan, Cansler, Culp, Hardy, Justus, Moore, Morris, Rayfield, Sexton, Smith, Thompson, Warner, Weatherly, and Wood.

Referred to: Finance.

February 4, 1997

A BILL TO BE ENTITLED

AN ACT TO INCREASE THE HOMESTEAD EXEMPTION AMOUNT AND THE INCOME LIMIT TO TWENTY-FIVE THOUSAND DOLLARS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-277.1(a) reads as rewritten:

"(a) Exclusion. – The following class of property is designated a special class of property under Article V, Sec. 2(2) of the North Carolina Constitution and shall be assessed for taxation in accordance with this section. The first ~~twenty thousand dollars (\$20,000)~~ twenty-five thousand dollars (\$25,000) in appraised value of a permanent residence owned and occupied by a qualifying owner is excluded from taxation. A qualifying owner is an owner who meets all of the following requirements as of January 1 preceding the taxable year for which the benefit is claimed:

(1) Is at least 65 years of age or totally and permanently disabled.

(2) Has an income for the preceding calendar year of not more than ~~fifteen thousand dollars (\$15,000)~~ twenty-five thousand dollars (\$25,000).

(3) Is a North Carolina resident.

An otherwise qualifying owner does not lose the benefit of this exclusion because of a temporary absence from his or her permanent residence for reasons of health, or because

1 of an extended absence while confined to a rest home or nursing home, so long as the
2 residence is unoccupied or occupied by the owner's spouse or other dependent."

3 Section 2. G.S. 105-309(f) reads as rewritten:

4 "(f) The following information shall appear on each abstract or on an information
5 sheet distributed with the abstract. The abstract or sheet must include the address and
6 telephone number of the assessor below the notice required by this subsection. The notice
7 shall read as follows:

8
9 **'PROPERTY TAX RELIEF FOR ELDERLY AND**
10 **PERMANENTLY DISABLED PERSONS.**

11
12 North Carolina excludes from property taxes the first ~~twenty thousand dollars (\$20,000)~~
13 twenty-five thousand dollars (\$25,000) in appraised value of a permanent residence
14 owned and occupied by North Carolina residents aged 65 or older or totally and
15 permanently disabled whose income does not exceed ~~fifteen thousand dollars (\$15,000)~~.
16 twenty-five thousand dollars (\$25,000). Income means the owner's adjusted gross income
17 as determined for federal income tax purposes, plus all moneys received other than gifts
18 or inheritances received from a spouse, lineal ancestor or lineal descendant.

19 If you received this exclusion in (assessor insert previous year), you do not need to
20 apply again unless you have changed your permanent residence. If you received the
21 exclusion in (assessor insert previous year) and your income in (assessor insert previous
22 year) was above ~~fifteen thousand dollars (\$15,000)~~, twenty-five thousand dollars (\$25,000),
23 you must notify the assessor. If you received the exclusion in (assessor insert previous
24 year) because you were totally and permanently disabled and you are no longer totally
25 and permanently disabled, you must notify the assessor. If the person receiving the
26 exclusion in (assessor insert previous year) has died, the person required by law to list the
27 property must notify the assessor. Failure to make any of the notices required by this
28 paragraph before April 15 will result in penalties and interest.

29 If you did not receive the exclusion in (assessor insert previous year) but are now
30 eligible, you may obtain a copy of an application from the assessor. It must be filed by
31 April 15."

32 Section 3. This act is effective for taxes imposed for taxable years beginning
33 on or after July 1, 1998.