

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2009

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SENATE DRS35119-LAz-9A\* (3/4)

Short Title: Real Property Sales Information.

(Public)

Sponsors: Senators Hartsell, Brunstetter, Clodfelter, and Hoyle.

Referred to:

1 A BILL TO BE ENTITLED  
2 AN ACT TO ASSIST COUNTIES AND THE DEPARTMENT OF REVENUE IN  
3 OBTAINING ACCURATE REAL PROPERTY SALES INFORMATION NEEDED FOR  
4 PROPERTY TAX APPRAISALS BY REQUIRING A REPORT OF SALES  
5 INFORMATION WHEN REAL PROPERTY IS TRANSFERRED.

6 Whereas, the Constitution of North Carolina requires that property must be taxed by  
7 uniform rule and that every classification must be made by general law uniformly applicable in  
8 every county, city and town, and other unit of local government; and

9 Whereas, the North Carolina General Statutes require that all property, real and  
10 personal, must so far as practicable be appraised or valued at its true value which is interpreted  
11 as meaning market value; and

12 Whereas, taxes levied by all counties and municipalities must be levied uniformly  
13 on assessments determined by the true value of most property; and

14 Whereas, to help ensure that tax values of real property reflect fair market value  
15 when the counties value their property for property tax purposes, the North Carolina  
16 Department of Revenue must conduct annual studies of the ratio of the appraised value of real  
17 property to its true value and establish for each county the median ratio as determined by the  
18 study for each calendar year; and

19 Whereas, one of the most accurate and cost efficient methods of producing a fair  
20 revaluation of property based on the true value of the property is to require that sales  
21 information reports be filed with the county whenever property changes hands; Now, therefore,  
22 The General Assembly of North Carolina enacts:

23 **SECTION 1.** Article 19 of Chapter 105 of the General Statutes is amended by  
24 adding a new section to read:

25 "**§ 105-317.2. Report on transfers of real property.**

26 To facilitate the accurate appraisal of real property for taxation, the information listed in  
27 this section must be reported to the county tax assessor on a form developed by the Department  
28 of Revenue. G.S. 161-32 prohibits recording a deed until the report is filed. The following  
29 information is required:

- 30 (1) The name of each grantor and grantee.  
31 (2) A brief description of the property.  
32 (3) The total sales price.  
33 (4) Whether the transaction involves family members or affiliated companies.  
34 (5) A listing of any personal property conveyed with the transaction.  
35 (6) Whether the transaction is the result of a forced sale."



1           **SECTION 2.** Article 2 of Chapter 161 of the General Statutes is amended by  
2 adding a new section to read:

3       **"§ 161-32. Report on transfer of real property.**

4           The register of deeds may not accept for registration a deed transferring real property unless  
5 the county tax assessor certifies that a sales information report required by G.S. 105-317.2 has  
6 been filed. Failure to comply with this section does not affect the validity of a duly recorded  
7 deed."

8           **SECTION 3.** This act becomes effective January 1, 2010.