

June 5, 2002

**H 1523. AMEND PROPERTY TAX LAWS. TO AMEND VARIOUS PROPERTY TAX LAWS.** As title indicates. Makes following changes. (1) Amends GS 105-357(b)(2) to provide that the penalty for giving a bad check in payment of taxes is \$25 or 10% of the amount of the check, whichever is greater, up to a maximum of \$1,000 (was, 10% of amount of check, with minimum of \$1 and maximum of \$1,000); (2) Adds new GS 105-317.1 providing that taxpayer may appeal the value, situs, or taxability of personal property within 30 days after the date of the initial notice of value. If assessor does not give separate written notice, then tax bill serves as notice of property's value. Notice must contain a statement of appeal rule above. On receiving a timely appeal, assessor must arrange a conference with the taxpayer to allow him to present any evidence or argument concerning value, situs, or taxability. Assessor must give taxpayer written notice of assessor's final decision within 30 days after conference. If no agreement is reached, taxpayer has 30 days from date of notice of assessor's final decision to request review by board of equalization and review (e and r) or county commissioners if board of e and r is not in session. Request for review must be in writing to assessor unless made at the conference. Once timely request is received, GS 105-322 or 105-325, as appropriate, is followed. Amends GS 105-322(g)(5) to add hearing and deciding all personal property appeals to board of e and r's duties; (3) Makes the amendments to GS 105-273(13) specified in SL 2001-506, providing that manufactured homes need not have multiple sections to qualify as real property for property tax purposes, effective for taxable years beginning on or after July 1, 2004 (was, 2002); (4) Amends the Setoff Debt Collection Act, GS Ch. 105A, to impose a local collection assistance fee of \$15 on each "local agency" (municipality, or county, to the extent it is not considered a state agency) debt that a local agency chooses to submit for collection under act. Fee is to recover the costs incurred in submitting debts for collection. Requires Dep't of Revenue to collect fee and remit it to the clearinghouse that submitted the debt. Fee does not apply to child support debt. If dep't can only collect part of debt through setoff, dep't's collection assistance fee retains first priority, same as under current law, followed by local collection assistance fee, followed by remainder of the debt. Makes various conforming changes in Ch. 105A; Change in returned check charge and manufactured home taxation are effective when they become law. Amendments to GS Ch. 105A become effective Jan. 1, 2003. Remaining provisions (dealing with personal property appeals) are effective for taxes imposed for taxable years beginning on or after July 1, 2002.

**Intro. by Hill, Allen, Buchanan, Holliman, Jarrell, Luebke, Wainwright.**

Ref. to Finance	GS 105, 105A
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July 31, 2002

**H 1523. AMEND PROPERTY TAX LAWS.** Intro. 6/5/02. House committee substitute makes the following changes to 1st edition. Adds new section to GS 105-358 providing that the tax collector may reduce or waive the 10% penalty imposed for giving a worthless check under GS 105-357. Postpones the effective date of the 2001 amendments to GS 105-273, regarding when a mobile home is to be classified as real property, to taxable years beginning on or after July 1, 2003 (was, 2004). Amends GS 105A-5(b) to provide that the notice to the debtor of a setoff proceeding must state that a collection assistance fee of \$15 will be added to the debt. Makes bill's provisions regarding notice and appeal of personal property assessments effective for taxable years beginning on or after July 1, 2003, that is, these provisions become effective Jan. 1, 2003.