

March 29, 2001

**H 916. HOMESTEAD EXEMPTION INCREASE. TO EXPAND THE PROPERTY TAX**

**HOMESTEAD EXEMPTION AND INDEX IT TO COST-OF-LIVING ADJUSTMENTS.** Retitles GS 105-277.1 "Property tax homestead exclusion." Rewrites GS 105-277.1 (adding GS 105-277.1(a2) and (a3)) to change exclusion so that the exclusion is based upon income eligibility and eliminates the requirement that the resident be at least 65 years of age or totally and permanently disabled. Provides that until July 1, 2003, exemption applies to those owners of residences with incomes of no more than \$20,000. Provides that the amount excluded from the taxable value of the residence is \$20,000, until July 1, 2003. Directs that both the income limit and the taxable amount excluded must then be adjusted annually according to change in the U.S. Consumer Price Index, as rounded to the nearest \$100. Makes conforming changes to GS 105-309(f) (information set forth by assessor on tax abstracts). Makes provisions above effective July 1, 2002. Amends GS 105-277.1A (reimbursement of localities for portion of tax lost) to provide that on February 1 of each year each city and count tax collector must furnish to the Sec'y of Revenue a list of the property tax homestead exclusions for those who qualified in the previous year. Directs Sec'y of Revenue by May 31 of each year to make reimbursement payments to local governments equaling 50% of the total revenue losses for the previous year. Makes reimbursement provisions effective for taxes imposed for taxable years beginning on or after July 1, 2002.

**Intro. by Shubert.**

Ref. to Rules	GS 105
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