

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2009

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SENATE BILL 405\*  
PROPOSED COMMITTEE SUBSTITUTE S405-PCS55324-LAf-3

Short Title: Real Property Sales Information.

(Public)

Sponsors:

Referred to:

March 5, 2009

A BILL TO BE ENTITLED

AN ACT TO ASSIST COUNTIES AND THE DEPARTMENT OF REVENUE IN  
OBTAINING ACCURATE REAL PROPERTY SALES INFORMATION NEEDED FOR  
PROPERTY TAX APPRAISALS BY REQUIRING A REPORT OF SALES  
INFORMATION WHEN REAL PROPERTY IS TRANSFERRED.

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

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

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

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

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

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

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

To facilitate the accurate appraisal of real property for taxation, the information listed in this section must be reported on a form developed by the Department of Revenue. G.S. 161-32 requires that the report be recorded with the deed transferring the real property. The following information is required:

- (1) The name of each grantor and grantee and the address of each grantee.
- (2) A brief description of the property.
- (3) The total sales price.
- (4) Whether the transaction involves family members or affiliated companies.
- (5) A listing of any personal property conveyed with the transaction.



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1           (6)    Whether the transaction is the result of a forced sale."

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

4    "**§ 161-32. Report on transfer of real property.**

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

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