

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

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SENATE BILL 55
PROPOSED COMMITTEE SUBSTITUTE S55-PCS55058-TD-2

Short Title: Increase Property Tax Appeals Efficiency.

(Local)

Sponsors:

Referred to:

February 10, 2011

A BILL TO BE ENTITLED

AN ACT TO INCREASE THE EFFICIENCY OF PROPERTY TAX APPEALS IN
MECKLENBURG COUNTY.

The General Assembly of North Carolina enacts:

SECTION 1. Chapter 509 of the 1981 Session Laws is repealed.

SECTION 2. Section 3 of this act applies only to Mecklenburg County.

SECTION 3. G.S. 105-322 reads as rewritten:

"§ 105-322. **County board of equalization and review.**

(a) Personnel. – Except as otherwise provided herein, the board of equalization and review of each county shall be composed of the members of the board of county commissioners.

Upon the adoption of a resolution so providing, the ~~board of commissioners~~ Mecklenburg County Board of Commissioners is authorized to appoint a special board of equalization and review to carry out the duties imposed under this section. The resolution shall provide for the membership, qualifications, terms of office and the filling of vacancies on the board. The membership of the special board provided for in the resolution must be at least five members. The resolution may authorize the special board to establish rules and procedures, including a separation into panels of three or more for deliberations. The board of commissioners shall also designate the clerk and chairman of the special board. The resolution may authorize the assessor to appoint deputy clerks, as needed. The resolution may also authorize a taxpayer to appeal a decision of the special board with respect to the listing or appraisal of his property or the property of others to the board of county commissioners. The resolution shall be adopted not later than the first Monday in March of the year for which it is to be effective and shall continue in effect until revised or rescinded. It shall be entered in the minutes of the meeting of the board of commissioners and a copy thereof shall be forwarded to the Department of Revenue within 15 days after its adoption.

~~Nothing in this subsection (a) shall be construed as repealing any law creating a special board of equalization and review or creating any board charged with the duties of a board of equalization and review in any county.~~

(b) Compensation. – The board of county commissioners shall fix the compensation and allowances to be paid members of the board of equalization and review for their services and expenses.

(c) Oath. – Each member of the board of equalization and review shall take the oath required by Article VI, § 7 of the North Carolina Constitution with the following phrase added



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1 to it: "that I will not allow my actions as a member of the board of equalization and review to
2 be influenced by personal or political friendships or obligations,". The oath must be filed with
3 the clerk of the board of county commissioners.

4 (d) Clerk and Minutes. – ~~The assessor shall serve as clerk~~ clerk, or deputy clerk, to the
5 board of equalization and ~~review,~~ review shall be present at all meetings, shall maintain
6 accurate minutes of the actions of the board, and shall give to the board such information as he
7 may have or can obtain with respect to the listing and valuation of taxable property in the
8 county.

9 (e) Time of Meeting. – Each year the board of equalization and review shall hold its
10 first meeting not earlier than the first Monday in April and not later than the first Monday in
11 May. In years in which a county does not conduct a real property revaluation, the board shall
12 complete its duties on or before the third Monday following its first meeting unless, in its
13 opinion, a longer period of time is necessary or expedient to a proper execution of its
14 responsibilities. Except as provided in subdivision (g)(5) of this section, the board may not sit
15 later than July 1 except to hear and determine requests made under the provisions of
16 subdivision (g)(2), below, when such requests are made within the time prescribed by law. ~~In~~
17 ~~the year in which a county conducts a real property revaluation, the board shall complete its~~
18 ~~duties on or before December 1, except that it may sit after that date to hear and determine~~
19 ~~requests made under the provisions of subdivision (g)(2), below, when such requests are made~~
20 ~~within the time prescribed by law. The resolution adopted under subsection (a) of this section~~
21 may authorize the special board to sit beyond the end of the current calendar year until the first
22 meeting of the special board in the next calendar year to hear and determine requests made
23 under the provisions of G.S. 105-322(g)(2) for appeals filed in the current calendar year. From
24 the time of its first meeting until its adjournment, the board shall meet at such times as it deems
25 reasonably necessary to perform its statutory duties and to receive requests and hear the appeals
26 of taxpayers under the provisions of subdivision (g)(2), below.

27 (f) Notice of Meetings and Adjournment. – A notice of the date, hours, place, and
28 purpose of the first meeting of the board of equalization and review shall be published at least
29 three times in some newspaper having general circulation in the county, the first publication to
30 be at least 10 days prior to the first meeting. The notice shall also state the dates and hours on
31 which the board ~~will meet following its first meeting and the date on which it expects to~~
32 ~~adjourn;~~ it shall also carry a statement that in the event of earlier or later adjournment, notice to
33 that effect will be published in the same newspaper. Should a notice be required on account of
34 earlier adjournment, it shall be published at least once in the newspaper in which the first notice
35 was published, such publication to be at least five days prior to the date fixed for adjournment.
36 Should a notice be required on account of later adjournment, it shall be published at least once
37 in the newspaper in which the first notice was published, such publication to be prior to the date
38 first announced for adjournment.

39 (g) Powers and Duties. – The board of equalization and review has the following
40 powers and duties:

41 (1) Duty to Review Tax Lists. – The board shall examine and review the tax
42 lists of the county for the current year to the end that all taxable property
43 shall be listed on the abstracts and tax records of the county and appraised
44 according to the standard required by G.S. 105-283, and the board shall
45 correct the abstracts and tax records to conform to the provisions of this
46 Subchapter. In carrying out its responsibilities under this subdivision (g)(1),
47 the board, on its own motion or on sufficient cause shown by any person,
48 shall:

49 a. List, appraise, and assess any taxable real or personal property that
50 has been omitted from the tax lists.

- 1 b. Correct all errors in the names of persons and in the description of
2 properties subject to taxation.
- 3 c. Increase or reduce the appraised value of any property that, in the
4 board's opinion, has been listed and appraised at a figure that is
5 below or above the appraisal required by G.S. 105-283; however, the
6 board shall not change the appraised value of any real property from
7 that at which it was appraised for the preceding year except in
8 accordance with the terms of G.S. 105-286 and 105-287.
- 9 d. Cause to be done whatever else is necessary to make the lists and tax
10 records comply with the provisions of this Subchapter.
- 11 e. Embodiment actions taken under the provisions of subdivisions (g)(1)a
12 through (g)(1)d, above, in appropriate orders and have the orders
13 entered in the minutes of the board.
- 14 f. Give written notice to the taxpayer at the taxpayer's last known
15 address in the event the board, by appropriate order, increases the
16 appraisal of any property or lists for taxation any property omitted
17 from the tax lists under the provisions of this subdivision (g)(1).
- 18 (2) Duty to Hear Taxpayer Appeals. – On request, the board of equalization and
19 review shall hear any taxpayer who owns or controls property taxable in the
20 county with respect to the listing or appraisal of the taxpayer's property or
21 the property of others.
- 22 a. A request for a hearing under this subdivision (g)(2) shall be made in
23 writing to or by personal appearance before the board prior to its
24 adjournment. However, if the taxpayer requests review of a decision
25 made by the board under the provisions of subdivision (g)(1), above,
26 notice of which was mailed fewer than 15 days prior to the board's
27 adjournment, the request for a hearing thereon may be made within
28 15 days after the notice of the board's decision was mailed.
- 29 b. Taxpayers may file separate or joint requests for hearings under the
30 provisions of this subdivision (g)(2) at their election.
- 31 c. At a hearing under provisions of this subdivision (g)(2), the board, in
32 addition to the powers it may exercise under the provisions of
33 subdivision (g)(3), below, shall hear any evidence offered by the
34 appellant, the assessor, and other county officials that is pertinent to
35 the decision of the appeal. Upon the request of an appellant, the
36 board shall subpoena witnesses or documents if there is a reasonable
37 basis for believing that the witnesses have or the documents contain
38 information pertinent to the decision of the appeal.
- 39 d. On the basis of its decision after any hearing conducted under this
40 subdivision (g)(2), the board shall adopt and have entered in its
41 minutes an order reducing, increasing, or confirming the appraisal
42 appealed or listing or removing from the tax lists the property whose
43 omission or listing has been appealed. The board shall notify the
44 appellant by mail as to the action taken on the taxpayer's appeal not
45 later than 30 days after the board's adjournment.
- 46 (3) Powers in Carrying Out Duties. – In the performance of its duties under
47 subdivisions (g)(1) and (g)(2), above, the board of equalization and review
48 may exercise the following powers:
- 49 a. It may appoint committees composed of its own members or other
50 persons to assist it in making investigations necessary to its work. It
51 may also employ expert appraisers in its discretion. The expense of

1 the employment of committees or appraisers shall be borne by the
 2 county. The board may, in its discretion, require the taxpayer to
 3 reimburse the county for the cost of any appraisal by experts
 4 demanded by the taxpayer if the appraisal does not result in material
 5 reduction of the valuation of the property appraised and if the
 6 appraisal is not subsequently reduced materially by the board or by
 7 the Department of Revenue.

- 8 b. The board, in its discretion, may examine any witnesses and
 9 documents. It may place any witnesses under oath administered by
 10 any member of the board. It may subpoena witnesses or documents
 11 on its own motion, and it must do so when a request is made under
 12 the provisions of subdivision (g)(2)c, above.

13 A subpoena issued by the board shall be signed by the chair of
 14 the board, directed to the witness or to the person having custody of
 15 the document, and served by an officer authorized to serve
 16 subpoenas. Any person who willfully fails to appear or to produce
 17 documents in response to a subpoena or to testify when appearing in
 18 response to a subpoena shall be guilty of a Class 1 misdemeanor.

- 19 (4) Power to Submit Reports. – Upon the completion of its other duties, the
 20 board may submit to the Department of Revenue a report outlining the
 21 quality of the reappraisal, any problems it encountered in the reappraisal
 22 process, the number of appeals submitted to the board and to the Property
 23 Tax Commission, the success rate of the appeals submitted, and the name of
 24 the firm that conducted the reappraisal. A copy of the report should be sent
 25 by the board to the firm that conducted the reappraisal.

- 26 (5) ~~Duty to Change Abstracts and Records After Adjournment.~~ – Following
 27 adjournment upon completion of its duties under subdivisions (g)(1) and
 28 (g)(2) of this subsection, the board may continue to meet to carry out the
 29 following duties:

- 30 a. To hear and decide all appeals relating to discovered property under
 31 G.S. 105-312(d) and (k).
 32 b. To hear and decide all appeals relating to the appraisal, situs, and
 33 taxability of classified motor vehicles under G.S. 105-330.2(b).
 34 c. To hear and decide all appeals relating to audits conducted under
 35 G.S. 105-296(j) and relating to audits conducted under
 36 G.S. 105-296(j) and (l) of property classified at present-use value and
 37 property exempted or excluded from taxation.
 38 d. To hear and decide all appeals relating to personal property under
 39 G.S. 105-317.1(c).
 40 e. To appraise and reappraise property under G.S. 105-325(a)(6)."

41 **SECTION 4.** Section 1 of this act becomes effective only upon the adoption of a
 42 resolution by the Mecklenburg Board of County Commissioners under Section 3 of this act.
 43 The remainder of this act becomes effective January 1, 2011.