

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

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HOUSE BILL 533  
PROPOSED COMMITTEE SUBSTITUTE H533-PCS30377-TM-20

Short Title: Modify PUV Exceptions to Disqualification.

(Public)

Sponsors:

Referred to:

April 6, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT TO MODIFY WHEN THE LIEN FOR DEFERRED TAXES ON LAND ELIGIBLE  
3 FOR PRESENT-USE VALUE CLASSIFICATION IS EXTINGUISHED IN ORDER TO  
4 PROMOTE SALES FOR LAND CONSERVATION USES.

5 The General Assembly of North Carolina enacts:

6 SECTION 1. G.S. 105-277.4 reads as rewritten:

7 "§ 105-277.4. Agricultural, horticultural and forestland. – Application; appraisal at use  
8 value; appeal; deferred taxes.

9 ...

10 (d) Set Exceptions. – Notwithstanding the provisions of subsection (c) of this section, if  
11 property loses its eligibility for present use value classification solely due to one of the  
12 following reasons, no deferred taxes are due and the lien for the deferred taxes is extinguished:

13 ...

14 (2) ~~The property is conveyed by gift to a nonprofit organization and qualifies for~~  
15 ~~exclusion from the tax base pursuant to G.S. 105-275(12) or~~  
16 ~~G.S. 105-275(29).~~

17 ...

18 (f) Variable Exception. – Notwithstanding the provisions of subsection (c) of this  
19 section, if property loses its eligibility for present-use value classification because the property  
20 is conveyed to a nonprofit organization and qualifies for exclusion from the tax base pursuant  
21 to G.S. 105-275(12) or G.S. 105-275(29). Deferred taxes are due as follows:

22 (1) If the property is conveyed at or below present-use value, no deferred taxes  
23 are due, and the lien for the deferred taxes is extinguished.

24 (2) If the property is conveyed for more than present-use value, a portion of the  
25 deferred taxes for the preceding three fiscal years is due and payable in  
26 accordance with G.S. 105-277.1F. The portion due is equal to the lesser of  
27 the amount of the deferred taxes or the deferred taxes multiplied by a  
28 fraction, the numerator of which is the sale price of the property minus the  
29 present-use value of the property and the denominator of which is the true  
30 value of the property minus the present-use value of the property."

31 SECTION 2. This act is effective for taxes imposed for taxable years beginning on  
32 or after July 1, 2015.



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