



Bill Draft 2025-MCfy-226: Const. Amend. Property Tax Levy Limit.

2025-2026 General Assembly

Committee:	House Select Committee on Property Tax Reduction and Reform	Date:	March 18, 2026
Introduced by:		Prepared by:	Dan Ettefagh
Analysis of:	2025-MCfy-226		Committee Co-Counsel

OVERVIEW: Bill Draft 2025-MCfy-226 would submit to the voters of North Carolina the question of whether to amend the State Constitution to require the General Assembly to enact legislation limiting the property tax levy increase by counties and cities.

CURRENT LAW: The State Constitution may be amended by either a constitutional convention or by legislative action. An amendment proposed by legislative action must be approved by a vote of three-fifths of each house and submitted to the voters of the State. If a majority of the voters of the State approve, the amendment becomes effective either the January following the public vote or the date provided in the enactment.

The North Carolina Constitution (i) vests in the General Assembly the authority to grant units of local government the ability to levy property taxes and (ii) requires the authorization of those levies to be for purposes authorized by general law uniformly applicable throughout the State. The North Carolina General Statutes currently limits the authorization of property taxes generally to a maximum rate of \$1.50 per \$100 of value.

BILL ANALYSIS: The bill draft would submit to the voters of North Carolina, the question of whether to amend the State Constitution to require the General Assembly to enact limits on the amount by which the authorized property tax levy could be increased and allow for exceptions applicable to the limitations enacted.

The ballot question would be considered at the statewide general election to be held on November 3, 2026, and the ballot question would read:

"Constitutional amendment requiring limits on property tax increases by local governments."

EFFECTIVE DATE: This act is effective when it becomes law. If approved by a majority of the voters in the November 3, 2026, election, the amendment to the North Carolina Constitution will become effective upon certification of the referendum results.

Kara McCraw
Director



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Legislative Analysis
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