

The Taxpayers assert that G.S. 105-287 “relates to correction of errors, changes in the status of the land, or physical change.” The Taxpayers further assert that the subject conveyance “is not a subdivision, as defined by subsection (d) of the statute.” Taxpayers do not contest the assessed value of the dwelling situated on the subject land because no change occurred to the value effective for January 1, 1998.

The County maintains that according to the principle of “highest and best use” when a lot is subdivided, creating an additional building lot, the property is subject to reappraisal pursuant to G.S. 105-287 because the status of the property has changed.

ISSUES

In the Order on Final Pre-Hearing Conference, the parties did not agree as to the issues to be decided by the Commission. The Commission, after reviewing the Order, defined the issues as follows:

1. Did the County Assessor have statutory authority to reappraise the subject property pursuant to G.S. 105-287?

2. Did the County employ an arbitrary or illegal method of appraisal in arriving at the value assigned by the County Board to the subject property as of January 1, 1998?

3. Did the value assigned by the County Board to the subject property substantially exceed the true value in money of the property as of January 1, 1998?

4. If issues 2 and 3 are answered in the affirmative, what was the true value in money of the subject property as of January 1, 1998?

FROM THE APPLICATION FILED IN THIS MATTER AND EVIDENCE PRESENTED, THE COMMISSION MAKES THE FOLLOWING FINDINGS OF FACT:

1. The Commission has jurisdiction over the parties and subject matter of this appeal.

2. The property subject to this appeal is a 1.22-acre tract improved with a one-story framed dwelling located off Batson Road on Virginia Creek, Pender County, North Carolina. This tract originally consisted on 1.91 acres until December 8, 1997, when a General Warranty Deed was recorded in the Office of the Pender County Register of Deeds wherein Taxpayers conveyed 0.689 acres to Edna Brown Wallin. (See Taxpayer Exhibit B.)

3. In 1995, Pender County conducted a general reappraisal of all real property situated within its jurisdiction and applied the schedule of values, rules and standards adopted by the County Board for that general reappraisal.

4. Effective January 1, 1995, the total assessed value of the original 1.91-acre tract was \$196,610, namely \$117,991 for the land and 78,619 for the improvements. (See Taxpayer Exhibit A.)

5. As of January 1, 1998, Taxpayers' property consisted of 1.22 acres because of the conveyance of 0.689 acres to Ms. Wallin by deed recorded December 8, 1997. (See Taxpayer Exhibit B.)

6. Effective for January 1, 1998, the Pender County Assessor reassessed the subject property to recognize the acreage adjustment to the property and decreased the value of the subject land by \$7,892.00. (See Taxpayers Exhibit C and E.)

7. Taxpayers objected to the Pender County Assessor's reassessment of the subject property and filed an appeal with the local board of equalization and review. On April 29, 1998 the local board issued a written decision affirming the Assessor's reassessed value. (See Taxpayer Exhibit G.)

8. On May 26, 1998, Taxpayers filed a timely notice of appeal with the Commission regarding the County Board's written decision and identified the subject property in the notice as Parcel No. T041 051 001, bearing Record No. 34212, consisting of 1.22 acres, located off Batson Road. (See Commission Exhibit C-1.)

9. Applying the 1995 schedule of values, rules, and standards, the Pender County Assessor properly reassessed the land to recognize the acreage change of the subject property.

10. Effective January 1, 1998, the subject land was properly reassessed at a value of \$110,099. No change in value was made to the dwelling situated on the land. (See Taxpayer Exhibits C and E.)

BASED UPON THE FOREGOING FINDINGS OF FACT, THE NORTH CAROLINA PROPERTY TAX COMMISSION CONCLUDES AS A MATTER OF LAW:

1. A county assessor has a duty to increase or decrease the assessed value of real property in a year not subject to reappraisal or horizontal adjustment to "recognize an increase or decrease in the value of the property resulting from a factor other than one listed in G.S. 105-287(b). (See G.S. 105-287(a)(3).)

2. The Pender County Tax Assessor properly decreased the value of Taxpayers' property pursuant to G.S. § 105-287, when a portion of the land was conveyed by deed resulting in an acreage change to the subject property.

3. Taxpayer did not show by competent, material and substantial evidence that the County employed an arbitrary or illegal method of appraisal as to the subject property.

4. Taxpayer did not produce competent, material and substantial evidence that the county used an arbitrary or illegal method of valuation, and that the assessment substantially exceeded the true value in money of the subject property as of January 1, 1998.

5. The true value in money of Taxpayers' property effective for January 1, 1998 was \$188,718, namely \$110,099 for the land and 78,619 for the improvements.

THE COMMISSION NOW, THEREFORE, ORDERS, ADJUDGES AND DECREES that the decision of the Pender County Board of Equalization and **Review assigning a** total value to the subject property of \$188,718, namely \$110,099 for the land and 78,619 for the improvements effective January 1, 1998, is hereby **Affirmed**.

It is further Ordered that each party's exhibits received into evidence may be released, upon request, to his/her/its counsel 30 days following the final resolution of this appeal. It is further Ordered that if a party does not request return of his/her/its exhibits within 50 days after this decision has become a final resolution of this matter, then the Commission staff may dispose of the party's exhibits.


NORTH CAROLINA PROPERTY TAX COMMISSION



Juleigh Sitton, Vice Chair

Commission members Cope and Tyson concur in this decision. Chairman Wheeler after considering Taxpayer's legal argument concerning the application of G.S. 105-287, chose to rescue himself from participating in the Commission's decision.

Entered: March 24, 1999

ATTEST:


Janet L. Shires, Secretary

