

PROPERTY TAX EDUCATION PARTNERSHIP

Gap Billing Update

Advanced Seminar

Greensboro, NC

September 19, 2017

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Topics

- Gap Billing Law Changes
- When to Bill
- Gap Billing VTS Report
- Fixed File format for Automated Billing
- Mock Property Tax Bill and Fact Sheet
- Current and Future Enhancements

Gap Billing Law Changes SB628

- NCGS 105.330.3(2)
 - For any months for which the vehicle was not taxed between the date the registration expired and the start of the current registered vehicle tax year, the vehicle is taxed an unregistered vehicle as follows:
 - a. The value of the motor vehicle is determined as of January 1 in which the taxes are computed. (New)
 - b. In computing the taxes, the assessor must use the tax rates and any additional motor vehicle taxes of the various taxing units in effect on the date the taxes are computed.

Gap Billing Law Changes SB628

- c. The tax on the motor vehicle is the product of a fraction and the number of months for which the vehicle was not taxed between the date the registration expires and the start of the current registered vehicle tax year. The numerator of the fraction is the product of the appraised value of the motor vehicle and the tax rate of the various taxing units. The denominator of the fraction is 12.

Gap Billing Law Changes SB628

- (d) The taxes are due on September 1 following the date the notice was prepared. Taxes are payable at par or face amount if paid before January 6 following the due date. Taxes paid on or after January 6 following the due date are subject to interest charges. Interest accrues on taxes paid on or after January 6 pursuant to G.S. 105-360.(New)
- (e) Repealed

Summary of Law Changes SB628

- Defining of unregistered vehicle under 105-330.3
- Bills will be due September 1
 - Bills created after September 1 will be due the following September 1
- Interest begins January 6th following the due date
 - Interest is 2% the first month
 - $\frac{3}{4}\%$ each month thereafter

Billing

- When should counties bill?
- Monthly?
 - Citizen Recently Purchased a New Registration
 - Citizen will question the tax?
 - Quicker Payments?
 - Costly?
 - Workload
- Annually?
 - Citizen may have sold the vehicle
 - Citizen will question tax
 - Cost effective
 - Workload

Gap Billing VTS Report

NCVTS ▾ Admin ▾ Options ▾ Help ▾

TJISAACS1 (Wake) | Search

NCVTS -> Main Menu -> Reports

NCVTS Gap Billing Report ▾

Go

Select Start Date

1/1/2017



Select End Date

1/31/2017



View Report

Gap Billing Report is pulled by using Transaction dates. The report will pull Renewals, Issuances and LRP's at the same time.

Gap Billing VTS Report

Bill ID refers to the most Current Bill paid in VTS

Bill ID	Previous Bill ID
0034684789-2016-2016-0000-00	0007524698-2014-2014-0000-00
0034692352-2016-2016-0000-00	0016751650-2013-2013-0000-00
0034698436-2016-2016-0000-00	0021745035-2014-2014-0000-00
0034702408-2016-2016-0000-00	0016890848-2013-2013-0000-00
0034703126-2016-2016-0000-00	0024376137-2014-2014-0000-00
0034703743-2016-2016-0000-00	0022983359-2015-2015-0000-00
0034704436-2016-2016-0000-00	0028662163-2015-2015-0000-00
0034714594-2016-2016-0000-00	0017446899-2013-2013-0000-00
0034745762-2016-2016-0000-00	0010594227-2013-2013-0000-00
0034747593-2016-2016-0000-00	0026294885-2014-2014-0000-00
0034765969-2016-2016-0000-00	0017286393-2014-2014-0000-00

Previous Bill ID is the prior bill which creates the gap between it and the Bill ID.

When reviewing make sure the bill years do not match. This could mean no gap in registration occurred.

Gap Billing VTS Report

Vehicle Information and
Bill ID Expiration.

VIN	Vehicle Description	Plate #	Plate Expiration Date
JL6BBF1H94K009243	2004 MITS TK	HL7637	12/31/2017
1N6BA0ED5CN309565	2012 NISS TK	EFF3072	12/31/2017
JHMCG665X2C003602	2002 HOND 4S	EHA3411	12/31/2017
NCX106566	1900 TRAI BT	CH86487	12/31/2017

Gap Billing VTS Report

Owner Name	Situs Address	Situs City	Situs State	Situs Zip
FIRST CITIZENS BANK	ATTN: KARA ECKEL KOMP 100 E TRYON RD	RALEIGH	NC	27603-3581
CATHCART, WARREN ROBERT III	102 STROMER DR	CARY	NC	27513-2732
DE LA CUESTA, ADOLFO MARCIAL	4916 SILVERDENE ST	RALEIGH	NC	27616-5100
PARTRICK, CORNELIUS THEODORE	8821 CYPRESS LAKES DR UNIT 302	RALEIGH	NC	27615-2136
PERRY GENTRY, BETH ANN	100 LARGE OAKS DR	CARY	NC	27518-9049

Owner Name	Mailing Address	Mailing City	Mailing State	Mailing Zip
FIRST CITIZENS BANK	ATTN: KARA ECKEL KOMP 100 E TRYON RD	RALEIGH	NC	27603
CATHCART, WARREN ROBERT III	102 STROMER DR	CARY	NC	27513
DE LA CUESTA, ADOLFO MARCIAL	4916 SILVERDENE ST	RALEIGH	NC	27616
PARTRICK, CORNELIUS THEODORE	8821 CYPRESS LAKES DR UNIT 302	RALEIGH	NC	27615
PERRY GENTRY, BETH ANN	PO BOX 1856	CARY	NC	27512-1856

Bill ID Value/Gap Billing Value/Renewal Type/Months Skipped

Gap Billing Value is a fractional value of the current Bill ID Multiplied by the number of skipped months.

Type of registration renewal transaction processed.

Vehicle Value	Gap Billing Value	End Bill Renewal Type	Months Skipped
\$4,330.00	\$5,051.67	Issuance	14
\$15,210.00	\$25,350.00	Issuance	20
\$2,880.00	\$1,680.00	Issuance	7
\$300.00	\$500.00	Issuance	20
\$34,350.00	\$20,037.50	Renewal	7
\$9,640.00	\$1,606.67	Renewal	2
\$1,720.00	\$286.67	Issuance	2

12 Month Value from Bill ID Column.

Months Skipped between the Bill ID and the Previous Bill ID.

Gap Billing Results for 1 Month

- Tyrrell – 22 records, total GAP billing value
 $\$57,612.33 * .0069$ (tax rate .69) = \$397.53
- Watauga – 137 records, total GAP billing value
 $\$242,162.15 * .00313$ (tax rate .313) = \$757.97
- Rowan – 606 records, total GAP billing value
 $\$978,777.31 * .006625$ (tax rate .6625) = \$6,484.40
- Wake – 1,191 records, total GAP billing value
 $\$6,214,224.83 * .006005$ (tax rate .6005) =
\$37,316.42

Gap Billing Extract File

- File Created for:
 - Fixed File Format for Importing
 - Automated Process vs Manual
 - Owner Information
 - Primary Owner on VTS Report
 - Taxing Districts

Gap Billing Extract File Report Fields

1	Field Name	Len	Type	Start	End
2					
3	State Number	2	N	1	2
4	County Abbrev.	5	C	3	7
5	DMV Customer ID	12	C	8	19
6	Vehicle Id Number (VIN)	25	N	20	44
7	Make of Vehicle	4	C	45	48
8	Series	3	C	49	51
9	Body Style	2	C	52	53
10	Vehicle Model Year	4	N	54	57
11	Trailer Length	6	N	58	63
12	Number of Axles	6	N	64	69
13	DMV Title Number	15	N	70	84
14	Original NC Title Date	8	N	85	92
15	Date Transferred	8	N	93	100
16	Owner Last Name	25	C	101	125
17	Owner First Name	20	C	126	145
18	Owner Middle Name	20	C	146	165
19	Owner Name Suffix	3	C	166	168
20	Owner Name filler	4	C	169	172

Gap Billing Extract File Report Fields

21	Co-Owner Last Name	25	C	173	197
22	Co-Owner First Name	20	C	198	217
23	Co-Owner Middle Name	20	C	218	237
24	Co-Owner Name Suffix	3	C	238	240
25	Co-Owner Name filler	4	C	241	244
26	Owner Residence Address-1	25	C	245	269
27	Owner Residence Address-2	25	C	270	294
28	Owner Residence City	20	C	295	314
29	Owner Residence State	2	C	315	316
30	Owner Residence Zip	9	N	317	325
31	Owner Mailing Address-1	25	C	326	350
32	Owner Mailing Address-2	25	C	351	375
33	Owner Mailing City	20	C	376	395
34	Owner Mailing State	2	C	396	397
35	Owner Mailing Zip	9	N	398	406
36	Vehicle Situs Address-1	25	C	407	431
37	Vehicle Situs Address-2	25	C	432	456
38	Vehicle Situs City	20	C	457	476
39	Vehicle Situs State	2	C	477	478
40	Vehicle Situs Zip	9	N	479	487

Gap Billing Extract File Report Fields

41	License Plate Number	8	C	488	495
42	License Plate Status	4	C	496	499
43	Plate Issue Date	8	N	500	507
44	Plate Expiration Date (Renewal Date) 8	N	508	515
45	Vehicle Weight	6	N	516	521
46	License Plate Category (Plate Class) 3	C	522	524
47	Renewal Code	3	C	525	527
48	Renewal Indicator	1	C	528	528
49	Action Code	3	C	529	531
50	NC Dealer Number	7	N	532	538
51	Junked Vehicle	1	C	539	539
52	Salvage Vehicle (MVR-40 set)	1	C	540	540
53	Reconstructed Vehicle	1	C	541	541
54	Water Damaged	1	C	542	542
55	Non-USA (Gray Market)	1	C	543	543
56	Lemon Flag	1	C	544	544
57	Motor Change	1	C	545	545
58	Body Change	1	C	546	546
59	Odometer Rdg. not Certified	1	C	547	547
60	Odometer Not Actual Miles	1	C	548	548

Gap Billing Extract File Report Fields

61	Odometer Exceeds Limit	1	C	549	549
62	Odometer Reading	9	N	550	558
63	Lessee Control Number	15	N	559	573
64	Lessee Last Name	25	C	574	598
65	Lessee First Name	20	C	599	618
66	Lessee Middle Name	20	C	619	638
67	Lessee Name Suffix	3	C	639	641
68	Lessee Name filler	4	C	642	645
69	Lessee Address-1	25	C	646	670
70	Lessee Address-2	25	C	671	695
71	Lessee City	20	C	696	715
72	Lessee State	2	C	716	717
73	Lessee Zip	9	N	718	726
74	Lessee2 Last Name	25	C	727	751
75	Lessee2 First Name	20	C	752	771
76	Lessee2 Middle Name	20	C	772	791
77	Lessee2 Name Suffix	3	C	792	794
78	Lessee2 Name filler	4	C	795	798
79	Lessee2 Address-1	25	C	799	823
80	Lessee2 Address-2	25	C	824	848

Gap Billing Extract File Report Fields

81	Lessee2 City	20	C	849	868
82	Lessee2 State	2	C	869	870
83	Lessee2 Zip	9	N	871	879
84	Lienholder Last Name	25	C	880	904
85	Lienholder First Name	20	C	905	924
86	Lienholder Middle Name	20	C	925	944
87	Lienholder Name Suffix	3	C	945	947
88	Lienholder Name filler	4	C	948	951
89	Lienholder Address-1	25	C	952	976
90	Lienholder Address-2	25	C	977	1001
91	Lienholder City	20	C	1002	1021
92	Lienholder State	2	C	1022	1023
93	Lienholder Zip	9	N	1024	1032
94	Social Security Number	9	N	1033	1041
95	Vehicle Fuel Code	1	C	1042	1042
96	Vehicle Identifier (DMV id)	9	N	1043	1051
97	Registration Use Code	4	C	1052	1055
98	Vehicle Category	1	C	1056	1056
99	Vehicle Damaged Indicator	1	C	1057	1057
100	Vehicle Sales Price	10	N	1058	1067
101	Salvage Rebuilt Reconstructed Indicator	1	C	1068	1068
102	Annual to Staggered Conversion Indicator	1	C	1069	1069
103	Number of Missing Registration Months	2	N	1070	1071
104	filler (for future use)	29	C	1072	1100

Gap Billing Extract File Report Fields

105					
106	Most Recent Billed Value	6	N	1101	1106
107	filler(previously TEC values)	54	C	1107	1160
Item 1-4					
108					
109	Tax District 1	10	C	1161	1170
110	Tax District 2	10	C	1171	1180
111	Tax District 3	10	C	1181	1190
112	Tax District 4	10	C	1191	1200
113	Tax District 5	10	C	1201	1210
114	Tax District 6	10	C	1211	1220
115	Tax District 7	10	C	1221	1230
116	Tax District 8	10	C	1231	1240
117	Tax District 9	10	C	1241	1250
118	Tax District 10	10	C	1251	1260

Records with a zero value are either duplicates or are a vehicle that went from classified to unclassified. All zero value records should be discarded.

Tax Districts from the most recent paid bill added to avoid additional programming.

Gap Billing Notice

Your County Tax Office
 PO Box 1234
 Somewhere, NC 12345-6789
www.countygov.com/tax

VEHICLE REGISTRATION GAP PROPERTY TAX NOTICE

INTEREST: Interest accrues at the rate of 2% for the month of the Interest Begins Date shown below and ¼ of 1% each following month.

VALUE: Vehicle value is determined as of January 1 of the year of the Billing Date.

APPEAL: Appeals of value, situs (location where taxed), and taxability must be filed with the tax office within thirty (30) days of the Due Date shown below.

FAILURE TO PAY: Delinquent taxes are subject to collection actions immediately upon becoming delinquent. Taxes are delinquent on the Interest Begins Date shown below. Collection actions may include bank attachment, wage garnishment, levy on personal property, debt setoff, and attachment of escheats.

OWNER 1
 OWNER 2
 ADDRESS 1
 ADDRESS 2
 ADDRESS 3

Notice Date:

Account Number	Tax Year	Billing Date	Due Date	Interest Begins Date

Property Description:

Physical Location:

Value:

Current Registration Expiration:

Gap Months Billed:

Note on Calculation of Taxes: Because the tax rates below are based on a 12-month year, the taxes due are adjusted proportionately downward if the number of Gap Months Billed is less than 12 months and are adjusted proportionately upward if the number of Gap Months Billed is more than 12 months.

TAXING DISTRICT	RATE PER \$100 OF VALUE	AMOUNT DUE
Your County Distribution:		
Total Your County		
Municipality: Fire District: Special District:		
TOTAL TAX		
Vehicle Fee:		
TOTAL DUE		

COMMONLY ASKED QUESTIONS

WHAT IS A GAP PROPERTY TAX NOTICE? It is a property tax bill that covers the months between the expiration of a vehicle's registration and the renewal of that registration or the issuance of a new registration.

WHY AM I RECEIVING THIS PROPERTY TAX BILL? The registration for the vehicle listed on this notice previously expired. The vehicle registration was recently renewed or a new registration was issued. During the lapse in registration, the vehicle was considered unregistered. The County is required to collect property taxes for vehicles with an unregistered status.

HOW DOES THIS DIFFER FROM THE PROPERTY TAXES I PAID WHEN I RENEWED? Property taxes paid to the North Carolina Department of Motor Vehicles at the time of renewal or issuance are for the same 12-month period as your registration. The taxes billed on this notice are only for the months that your vehicle was not registered.

Gap Billing Notice Language

INTEREST: Interest accrues at the rate of 2% for the month of the Interest Begins Date shown below and $\frac{3}{4}$ of 1% each following month.

VALUE: Vehicle value is determined as of January 1 of the year of the Billing Date.

APPEAL: Appeals of value, situs (location where taxed), and taxability must be filed with the tax office within thirty (30) days of the Due Date shown below.

FAILURE TO PAY: Delinquent taxes are subject to collection actions immediately upon becoming delinquent. Taxes are delinquent on the Interest Begins Date shown below. Collection actions may include bank attachment, wage garnishment, levy on personal property, debt setoff, and attachment of escheats.

Gap Billing Notice Language

COMMONLY ASKED QUESTIONS

WHAT IS A GAP PROPERTY TAX NOTICE? It is a property tax bill that covers the months between the expiration of a vehicle's registration and the renewal of that registration or the issuance of a new registration.

WHY AM I RECEIVING THIS PROPERTY TAX BILL? The registration for the vehicle listed on this notice previously expired. The vehicle registration was recently renewed or a new registration was issued. During the lapse in registration, the vehicle was considered unregistered. The County is required to collect property taxes for vehicles with an unregistered status.

HOW DOES THIS DIFFER FROM THE PROPERTY TAXES I PAID WHEN I RENEWED? Property taxes paid to the North Carolina Department of Motor Vehicles at the time of renewal or issuance are for the same 12-month period as your registration. The taxes billed on this notice are only for the months that your vehicle was not registered.

Gap Billing Notice

PLEASE RETURN THIS PORTION WITH YOUR PAYMENT

ACCOUNT NUMBER	BILLING DATE	DUE DATE	IF PAID BY DUE DATE, PAY THIS AMOUNT	AMOUNT PAID

ON-LINE PAYMENT ACCESS CODE: **123456** (see reverse for details)

TO CHANGE YOUR MAILING ADDRESS,
PLEASE FILL IN CORRECT ADDRESS BELOW

If paying with your bank's on-line bill pay option, be sure to reference your current tax account number and use the mailing address shown below. Correspondence without payments should be mailed to YOUR COUNTY TAX OFFICE, PO BOX 1234, SOMEWHERE, NC 12345-6789.

NAME: _____
ADDRESS: _____
CITY/STATE/ZIP: _____

MAKE CHECK PAYABLE & REMIT TO:

YOUR COUNTY TAX OFFICE
PO BOX 4321
LOCKBOX, NC 12345-6789

May have to modify for mailing
as in a scan bar.

Frequently Asked Questions

WHAT IS GAP BILLING OF PROPERTY TAXES FOR UNREGISTERED VEHICLES?

Gap billing of property taxes occurs when there are one or more months (a gap) in billed property taxes between the expiration of a vehicle's registration and the renewal of that registration or the issuance of a new registration. The vehicle is an unregistered vehicle during the gap in registration.

WHY DID I RECEIVE A GAP PROPERTY TAX NOTICE?

There was a gap in the registration of your vehicle resulting in a gap in the taxes billed. The registration for your vehicle previously expired. The vehicle registration was recently renewed or a new registration was issued. During the gap in registration, the vehicle was unregistered. The County is required to collect property taxes for unregistered vehicles per North Carolina General Statute 105-330.3.

DOES THE PROPERTY TAX I PAID WHEN I RENEWED MY REGISTRATION APPLY TO THE GAP BILLING PERIOD?

No. Property taxes paid to the North Carolina Department of Motor Vehicles (NCDMV) at the time of registration renewal or issuance are for the same 12-month period as your registration. The taxes billed on a gap property tax notice are only for the months your vehicle was not registered with the NCDMV.

Frequently Asked Questions

WHEN IS MY VEHICLE VALUE DETERMINED?

Vehicle value is determined as of January 1 of the calendar year in which the gap property tax notice was computed.

HOW CAN I APPEAL?

Appeals of value, situs (location where taxed), and taxability must be filed with the tax office within thirty (30) days of the September 1 that follows the gap property tax notice date.

WHEN ARE THE TAXES DUE AND WHEN DOES INTEREST START?

Taxes are due by the September 1 that follows the gap property tax notice date and can be paid without interest before the following January 6. Interest accrues for taxes paid on or after January 6 at 2% for the month of January and accrues at $\frac{3}{4}$ of 1% for each following month.

WHAT IF I DO NOT PAY?

Taxes are delinquent if unpaid before the January 6 that follows the September 1 due date. Delinquent taxes are subject to garnishment of wages and levy on personal property immediately upon becoming delinquent.

Current and Future Enhancements

- Interest Refunds installed 9/10/2017
- Add Title Date to Exclusion Report 9/24/2017
- Pro-Rate Property Tax 9/24/2017
- Vehicle Value Look Up 9/24/2017
- Purge Historical Data TBD
- Training Environment TBD

Questions?