

**NCDOR**

**NORTH  
CAROLINA  
DEPARTMENT  
OF REVENUE**

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# **Local Government Division and Legislative Update**

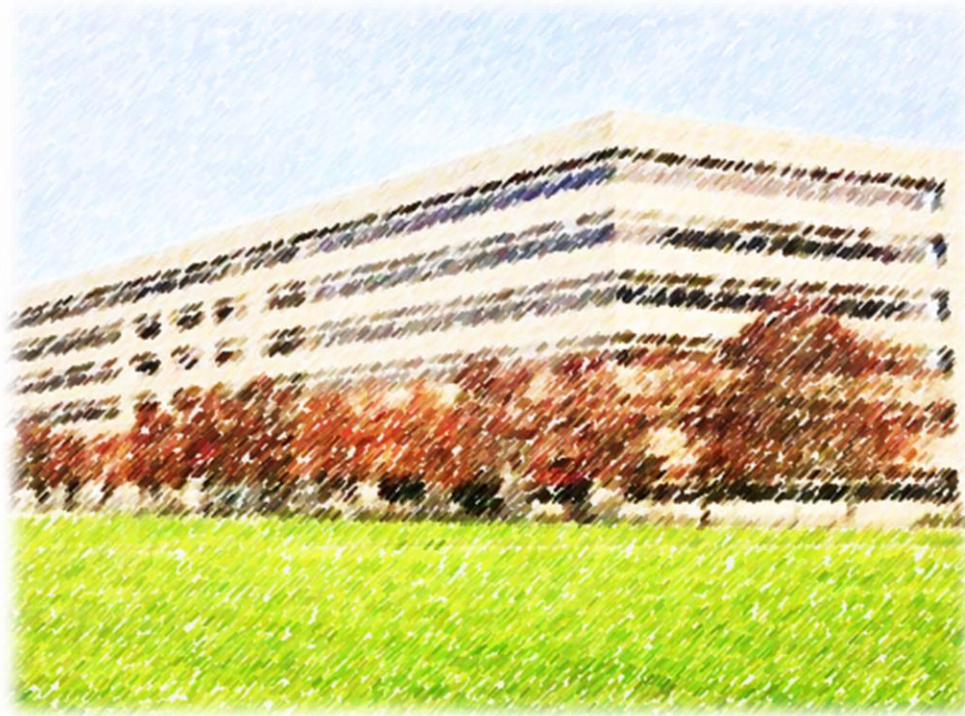
**Tony Simpson, Director**

2018 Advanced Real and Personal Property Seminar

February 18, 2019

Koury Convention Center, Greensboro

# Local Government



- Distribution Unit moved to Financial Services
- Organization
  - Tony Simpson, Director
  - Mike Connolly, Assistant Director
  - Doug Huffman, Real Property Manager
  - Tina Stone, Personal Property Manager
  - George Hermane, Public Service Manager

- Quality customer service
  - 5 Star Tax Administration
- Increased presence in counties
- Improve Tag & Tax user experience
  - On-demand data reporting
  - Efficient data distribution
  - Data accuracy

- Certified value of \$34 billion for FY 2017-18
- 60% of value from three companies
  - Duke Energy Carolina
  - Duke Energy Progress
  - Piedmont Natural Gas
- Overall state increase for FY 2018-19
  - Variations at county level

- TR-1 and TR-2
  - Enhancing automation process
    - Implementing data import capabilities
    - Additional data verification
    - User-friendly forms
    - Warning messages to identify errors
- New information database
  - Capability to cross reference databases
  - Additional report options
  - Data quality verification

- Reappraisal standards
  - Published and distributed to all assessors
  - Workshop being developed
- Appeal manual update
- Exemption manual update
- Improved correspondence/forms
- Earlier publication dates

- VTS hardware replacement
- Card reader replacement
  - LPAs
  - Driver license offices
- PayIt mobile app
- Working group to address revenue concerns
  - NCDOR
  - NC Association of County Commissioners
  - NC League of Municipalities



# Legislation



## **Session Law 2018-5: Appropriations Act of 2018**

### **Section 38.9(a) – Amends N.C.G.S. §105-395.1 - Effective July 1, 2017**

- Adjusts weekend and holiday provision
- Includes tax office and USPS closures
- State/local government disaster declarations

### **Section 38.10(d) – Amends N.C.G.S. §105-282.1 – Effective June 12, 2018**

- Establishes single exemption application
  - Charter schools
  - Qualifying mobile classrooms
  - Certain energy mineral interest properties
  - Lands held in trust for Eastern Band of Cherokee Indians

## **Session Law 2018-95: PUV Changes**

**Amends N.C.G.S. §105-277.15 – Effective July 1, 2019**

- Expands Wildlife PUV
  - Hunting and fishing reserves
  - Shooting
  - Wildlife observation
  - Wildlife activities
- Increases acreage cap to 800 acres for new designations

## **Session Law 2018-98: Violate Tax Law/Venue/Property Tax**

### **Section 1 - Amends N.C.G.S. §105-275 – Effective July 1, 2019**

- Exempts leasehold interest in exempt real property

## **Session Law 2018-114: Regulatory Reform Act of 2018**

### **Section 25 - Amends N.C.G.S. §105-275 – Effective July 1, 2018**

- Expands exemption of qualifying personal property and mobile classrooms of for profit charter schools

## **Session Law 2018-113: NC Farm Act of 2018**

### **Section 9 - Amends N.C.G.S. §106-741 – Effective June 27, 2018**

- Land records must provide notice of certain farms
  - Poultry, swine, dairy, and other qualifying farms
  - Voluntary agricultural districts

### **Section 14 - Amends N.C.G.S. §105-317.1 – Effective July 1, 2019**

- Counties must use DOR schedule if valuing farm equipment by cost

### **Section 15 - Amends N.C.G.S. §105-278.2(a) – Effective July 1, 2019**

- No application, survey or plat required to exempt family cemeteries

## **Senate Bill 153: Military Retiree State Income Tax Relief**

### **Section 3(a) – Proposed Amendment of N.C.G.S. §105-277.1C**

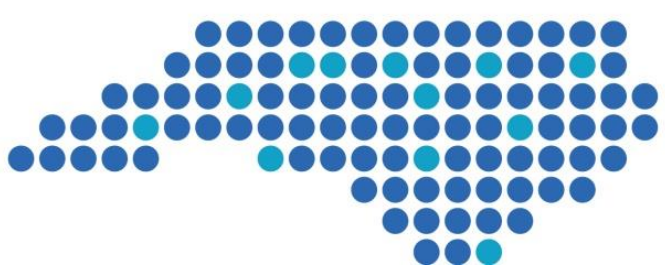
- Increase Disabled Veteran Homestead Exclusion from \$45,000 to \$100,000
- Proposed effective date is July 1, 2019

### **Section 3(b) - Proposed Addition N.C.G.S. §105-277.1E**

- Create homestead exclusion for surviving spouses of emergency personnel officers killed in the line of duty
- Proposed effective date is July 1, 2019

### **Section 5 - Proposed Amendment of N.C.G.S. §105-278.2**

- Exempts commercial property held for sale, rental or burial rights
- Proposed effective date is July 1, 2019



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# Questions?

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