

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2001

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SENATE BILL 661

Short Title: Chatham Land Transfer.

(Local)

Sponsors: Senators Kinnaird and Lee.

Referred to: Finance.

March 22, 2001

A BILL TO BE ENTITLED

AN ACT TO AUTHORIZE CHATHAM COUNTY TO LEVY A LOCAL LAND  
TRANSFER TAX.

The General Assembly of North Carolina enacts:

**SECTION 1.** Chapter 105 of the General Statutes is amended by adding a  
new Article to read:

"Article 8F.

"Local Government Excise Stamp Tax on Conveyances.

**"§ 105-228.50. Purpose.**

This Article gives the counties of this State an opportunity to obtain an added source  
of revenue with which to meet their growing financial needs.

**"§ 105-228.51. Levy of county conveyance tax.**

(a) Levy. – The board of commissioners of a county may, by resolution, levy an  
excise tax on instruments conveying interests in real property located in that county at a  
rate not to exceed one dollar (\$1.00) for each one hundred dollars (\$100.00) of the  
consideration or value, whichever is greater, of the interest conveyed, including the  
value of any lien or encumbrance remaining on the property at the time of sale. Before  
adopting a resolution under this section, the board of commissioners must give at least  
10 days' public notice of its intent to adopt the resolution and must hold a public hearing  
on the issue of adopting the resolution.

(b) Effective Date. – Upon adoption of the resolution, the board of  
commissioners shall send a certified copy to the register of deeds of the county. The tax  
becomes effective on the date specified in the resolution levying the tax, which date  
must be the first day of a calendar month and may not be earlier than the first day of the  
second succeeding calendar month after the date the resolution is adopted.

**"§ 105-228.52. Scope and administration of tax.**

A tax levied under this Article does not apply to transfers exempt pursuant to G.S.  
105-228.28 or G.S. 105-228.29 from the tax levied by Article 8E of this Chapter. This

1 tax is in addition to the tax levied by Article 8E of this Chapter. A tax levied under this  
2 Article applies to transfers of interests in real property located within the taxing county.  
3 If the property is located in two or more counties, each county may tax the value of only  
4 the portion of the property that lies in that county.

5 A tax levied under this Article is payable by the transferor of the interest. Except as  
6 otherwise provided in this Article, the provisions of G.S. 105-228.31 through G.S.  
7 105-228.36 apply to a tax levied under this Article. The taxing county must provide  
8 metering or similar equipment for the collection of tax, in lieu of the use of tax stamps.

9 **"§ 105-228.53. Use of proceeds.**

10 Taxes collected under this Article shall be credited to the general fund of the county  
11 and may be used for any lawful purpose.

12 **"§ 105-228.54. Repeal or reduction of tax.**

13 A county may, by resolution, repeal or reduce the rate of a tax levied under this  
14 Article. Repeal or reduction of the tax shall become effective on the first day of a month  
15 and may not become effective until the end of the fiscal year in which the repeal or  
16 reduction resolution was adopted. Repeal of a conveyance tax, or reduction of its rate,  
17 under this Article does not affect a liability for a tax that attached before the effective  
18 date of the repeal or reduction, nor does it affect a right to a refund of a tax that accrued  
19 before the effective date of the repeal or reduction."

20 **SECTION 2.** This act applies only to Chatham County.

21 **SECTION 3.** This act is effective when it becomes law.