

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005

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HOUSE DRH50254-LYx-211A (03/21)

Short Title: Orange/Chatham County Transfer Taxes. (Local)

Sponsors: Representatives Insko and Hackney (Primary Sponsors).

Referred to:

A BILL TO BE ENTITLED

AN ACT TO AUTHORIZE ORANGE AND CHATHAM COUNTIES 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.

1 A tax levied under this Article does not apply to transfers exempt pursuant to
2 G.S. 105-228.28 or G.S. 105-228.29 from the tax levied by Article 8E of this Chapter.
3 This tax is in addition to the tax levied by Article 8E of this Chapter. A tax levied under
4 this Article applies to transfers of interests in real property located within the taxing
5 county. If the property is located in two or more counties, each county may tax the value
6 of only the portion of the property that lies in that county.

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

12 **"§ 105-228.53. Use of proceeds.**

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

15 **"§ 105-228.54. Repeal or reduction of tax.**

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

23 **SECTION 2.** This act applies to Orange and Chatham Counties only.

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