

GENERAL ASSEMBLY OF NORTH CAROLINA
1987 SESSION

CHAPTER 356
HOUSE BILL 318

AN ACT TO CLASSIFY PROPERTY OWNED BY CERTAIN NONPROFIT HOMES
FOR THE AGED, SICK OR INFIRM AND EXCLUDE THIS PROPERTY FROM
TAXATION.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-275 is amended by adding a new subdivision to read:

"(32) Real and personal property owned by a home for the aged, sick, or infirm, that is exempt from tax under Article 4 of this Chapter, and used in the operation of that home. The term 'home for the aged, sick, or infirm' means a self-contained community that (i) is designed for elderly residents; (ii) operates a skilled nursing facility, an intermediate care facility, or a home for the aged; (iii) includes residential dwelling units, recreational facilities, and service facilities; (iv) the charter of which provides that in the event of dissolution, its assets will revert or be conveyed to an entity organized exclusively for charitable, educational, scientific, or religious purposes, and which qualifies as an exempt organization under Section 501(c)(3) of the Internal Revenue Code of 1986; (v) is owned, operated, and managed by one of the following entities:

- A. a congregation, parish, mission, synagogue, temple, or similar local unit of a church or religious body;
- B. a conference, association, division, presbytery, diocese, district, synod, or similar unit of a church or religious body;
- C. a Masonic organization whose property is excluded from taxation pursuant to G.S. 105-275(18); or
- D. a nonprofit corporation governed by a board of directors at least a majority of whose members elected for terms commencing on or before December 31, 1987, shall have been elected or confirmed by, and all of whose members elected for terms commencing after December 31, 1987, shall be selected by, one or more entities described in A., B., or C. of this subdivision, or organized for a religious purpose as defined in G.S. 105-278.3(d)(1); and

(vi) has an active program to generate funds through one or more sources, such as gifts, grants, trusts, bequests, endowment, or an annual giving program, to assist the home in serving persons who might not be able to reside at the home without financial assistance or subsidy."

Sec. 2. This act is effective for tax years beginning on and after January 1, 1987, and also applies to prior tax years for which contested tax levy proceedings have not been finally determined as of the ratification of this act.

In the General Assembly read three times and ratified this the 12th day of June, 1987.