

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1995

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SENATE BILL 496
Second Edition Engrossed 4/13/95

Short Title: Minimal Property Tax Bills.

(Public)

Sponsors: Senator Blackmon.

Referred to: Finance

March 28, 1995

A BILL TO BE ENTITLED

AN ACT TO ALLOW LOCAL GOVERNMENTS TO FORGO COLLECTION OF AD VALOREM TAX BILLS WHEN THE ORIGINAL PRINCIPAL AMOUNT DUE IS UNDER FIVE DOLLARS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-321 is amended by adding a new subsection to read:

"(f) Minimal Taxes. – Notwithstanding the provisions of G.S. 105-380, the governing body of a taxing unit that collects its own taxes may, by resolution, direct its assessor and tax collector not to collect minimal taxes charged on the tax records and receipts. Minimal taxes are the combined taxes and fees of the taxing unit and any other units for which it collects taxes, due on a tax receipt prepared pursuant to G.S. 105-320 or on a tax notice prepared pursuant to G.S. 105-330.5, in a total original principal amount that does not exceed an amount, up to five dollars (\$5.00), set by the governing body. The amount set by the governing body should be the estimated cost to the taxing unit of billing the taxpayer for the amounts due on a tax receipt or tax notice. Upon adoption of a resolution pursuant to this subsection, the tax collector shall not bill the taxpayer for, or otherwise collect, minimal taxes but shall keep a record of all minimal taxes by receipt number and amount and shall make a report of the amount of these taxes to the governing body at the time of the settlement. These minimal taxes shall not be a lien on the

1 taxpayer's real property and shall not be collectible under Article 26 of this Subchapter.
2 A resolution adopted pursuant to this subsection must be adopted on or before June 15
3 preceding the first taxable year to which it applies and remains in effect until amended or
4 repealed by resolution of the taxing unit."

5 Sec. 2. Chapter 24 of the 1995 Session Laws is repealed. A resolution adopted
6 under G.S. 105-330.5(b1), as enacted by Chapter 24 of the 1995 Session Laws, prior to
7 the effective date of this act will be considered a resolution adopted under G.S. 105-
8 321(f) as enacted by this act.

9 Sec. 3. This act is effective for taxes imposed for taxable years beginning on
10 or after July 1, 1995.