

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

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HOUSE BILL 828

Short Title: Revaluation Tax Rate Notice.

(Local)

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Sponsors: Representative Gillespie.

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Referred to: Local Government II.

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April 1, 1999

A BILL TO BE ENTITLED

1 AN ACT TO REQUIRE MCDOWELL COUNTY TO PUBLICIZE THE REVENUE-  
2 NEUTRAL TAX RATE IN THE YEARS WHEN THERE IS A GENERAL  
3 REVALUATION OF REAL PROPERTY.  
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5 The General Assembly of North Carolina enacts:

6 Section 1. G.S. 159-11 reads as rewritten:

7 "**§ 159-11. Preparation and submission of budget and budget message.**

8 (a) Upon receipt of the budget requests and revenue estimates and the financial  
9 information supplied by the finance officer and department heads, the budget officer shall  
10 prepare a budget for consideration by the governing board in such form and detail as may  
11 have been prescribed by the budget officer or the governing board. The budget shall  
12 comply in all respects with the limitations imposed by G.S. 159-13(b), and unless the  
13 governing board ~~shall have~~ has authorized or requested submission of an unbalanced  
14 budget as provided in subsection (c) of this section, the budget shall be balanced.

15 (b) The budget, together with a budget message, shall be submitted to the  
16 governing board not later than June 1. The budget and budget message should, but need  
17 not, be submitted at a formal meeting of the board. The budget message should contain a  
18 concise explanation of the governmental goals fixed by the budget for the budget year,  
19 should explain important features of the activities anticipated in the budget, should set

1 forth the reasons for stated changes from the previous year in program goals, programs,  
2 and appropriation levels, and should explain any major changes in fiscal policy.

3 (c) The governing board may authorize or request the budget officer to submit a  
4 budget containing recommended appropriations in excess of estimated revenues. If this is  
5 done, the budget officer shall present the appropriations recommendations in a manner  
6 that will reveal for the governing board the nature of the activities supported by the  
7 expenditures that exceed estimated revenues.

8 (d) The budget officer shall include in the budget a proposed financial plan for  
9 each intragovernmental service fund, as required by G.S. 159-13.1, and information  
10 concerning capital projects and grant projects authorized or to be authorized by project  
11 ordinances, as required by G.S. 159-13.2.

12 (e) In each year in which a general reappraisal of real property has been  
13 conducted, the budget officer shall include in the budget, for comparison purposes, a  
14 statement of the revenue-neutral property tax rate for the budget. The revenue-neutral  
15 property tax rate is the rate that is estimated to produce revenue for the next fiscal year  
16 equal to the revenue that would have been produced for the next fiscal year by the current  
17 tax rate if no reappraisal had occurred. To calculate the revenue-neutral tax rate, the  
18 budget officer shall first determine a rate that would produce revenues equal to those  
19 produced for the current fiscal year, and then increase the rate by a growth factor equal to  
20 the average annual percentage increase in the tax base due to improvements since the last  
21 general reappraisal. This growth factor represents the expected percentage increase in the  
22 value of the tax base due to improvements during the next fiscal year."

23 Section 2. This act applies only to McDowell County.

24 Section 3. This act is effective when it becomes law.