GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

H.B. 59
Feb 4, 2025
HOUSE PRINCIPAL CLERK

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HOUSE BILL DRH40047-BAf-3

Short Title:	Expand Elderly/Disabled Homestead Exclusion.	(Public)
Sponsors:	Representative Paré.	
Referred to:		

A BILL TO BE ENTITLED

AN ACT TO EXPAND THE ELDERLY OR DISABLED PROPERTY TAX HOMESTEAD EXCLUSION.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 105-277.1 reads as rewritten:

"**§ 105-277.1. Elderly or disabled property tax homestead exclusion.**

(a) Exclusion. – A permanent residence owned and occupied by a qualifying owner is designated a special class of property under Article V, Sec. 2(2) of the North Carolina Constitution and is taxable in accordance with this section. The amount of the appraised value of the residence equal to the exclusion amount is excluded from taxation. The exclusion amount is the greater of ~~twenty five~~ twenty-five thousand dollars ($25,000) or fifty percent (50%) of the appraised value of the residence. An owner who receives an exclusion under this section may not receive other property tax relief.

A qualifying owner is an owner who meets all of the following requirements as of January 1 preceding the taxable year for which the benefit is claimed:

(1) Is at least 65 years of age or totally and permanently disabled.

(2) Has ~~an~~ one or more of the following:

a. An income for the preceding calendar year of not more than the income eligibility limit.

b. An income for the preceding calendar year of not more than eighty percent (80%) of the applicable area median income for a household of two persons in the county in which the property is located; provided, that the owner has owned and occupied the property as a permanent residence for the previous 15 consecutive years. For purposes of this sub-subdivision, "applicable area median income" is the most recent figure reported by the United States Department of Housing and Urban Development as of January 1 preceding the taxable year for which the benefit is claimed.

(3) Is a North Carolina resident.

…

(a2) Income Eligibility Limit. – For the taxable year beginning on July 1, ~~2008,~~ 2026, the income eligibility limit is ~~twenty-five thousand dollars ($25,000).~~ forty-eight thousand dollars ($48,000). For taxable years beginning on or after July 1, ~~2009,~~ 2027, the income eligibility limit is the amount for the preceding year, adjusted by the same percentage of this amount as the percentage of any cost-of-living adjustment made to the benefits under Titles II and XVI of the Social Security Act for the preceding calendar year, rounded to the nearest one hundred dollars

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($100.00). On or before July 1 of each year, the Department of Revenue must determine the income eligibility amount to be in effect for the taxable year beginning the following July 1 and must notify the assessor of each county of the amount to be in effect for that taxable year.

…."

SECTION 2. This act is effective for taxable years beginning on or after July 1, 2026.