

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

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HOUSE BILL 59

Short Title: Expand Elderly/Disabled Homestead Exclusion. (Public)

Sponsors: Representatives Paré, Cotham, Schietzelt, and Echevarria (Primary Sponsors).
For a complete list of sponsors, refer to the North Carolina General Assembly web site.

Referred to: Finance, if favorable, Rules, Calendar, and Operations of the House

February 6, 2025

1 A BILL TO BE ENTITLED
2 AN ACT TO EXPAND THE ELDERLY OR DISABLED PROPERTY TAX HOMESTEAD
3 EXCLUSION.

4 The General Assembly of North Carolina enacts:

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

6 **"§ 105-277.1. Elderly or disabled property tax homestead exclusion.**

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

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

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

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

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

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

29 (3) Is a North Carolina resident.

30 ...

31 (a2) Income Eligibility Limit. – For the taxable year beginning on July 1, ~~2008, 2026,~~ the
32 income eligibility limit is ~~twenty-five thousand dollars (\$25,000).~~ forty-eight thousand dollars
33 (\$48,000). For taxable years beginning on or after July 1, ~~2009, 2027,~~ the income eligibility limit
34 is the amount for the preceding year, adjusted by the same percentage of this amount as the
35 percentage of any cost-of-living adjustment made to the benefits under Titles II and XVI of the



1 Social Security Act for the preceding calendar year, rounded to the nearest one hundred dollars
2 (\$100.00). On or before July 1 of each year, the Department of Revenue must determine the
3 income eligibility amount to be in effect for the taxable year beginning the following July 1 and
4 must notify the assessor of each county of the amount to be in effect for that taxable year.

5"

6 **SECTION 2.** This act is effective for taxable years beginning on or after July 1,
7 2026.