

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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SENATE BILL 421
House Committee Substitute Favorable 8/24/98

Short Title: Freeze Property Tax Values in 2000.

(Public)

Sponsors:

Referred to:

March 18, 1997

A BILL TO BE ENTITLED

1 AN ACT TO AMEND THE CONSTITUTION OF NORTH CAROLINA TO
2 AUTHORIZE THE GENERAL ASSEMBLY TO ENACT LEGISLATION
3 LIMITING THE VALUATION OF REAL PROPERTY FOR PROPERTY TAX
4 PURPOSES TO ITS APPRAISED VALUE ON THE 2000-01 TAX BILL AND TO
5 ADJUST THE APPRAISED VALUE TO REFLECT ITS SALES PRICE WHEN IT
6 IS SOLD.
7

8 The General Assembly of North Carolina enacts:

9 Section 1. Section 2 of Article V of the North Carolina Constitution is
10 amended by adding a new subdivision to read:

11 "(9) Property valuation. – Notwithstanding any other provision of this Section, the
12 fair market value of property for property tax purposes is the county assessor's valuation
13 of real property as shown on the 2000-01 tax bill or, thereafter, the appraised value of real
14 property when purchased, newly constructed, or a change in ownership has occurred after
15 the 2000 assessment. All real property not already assessed up to the 2000-01 fair market
16 value may be reassessed to reflect that valuation.

17 The fair market value base may reflect from year to year the inflationary rate not to
18 exceed two percent (2%) for any given year or reduction as shown in the consumer price

1 index or comparable data for the area under taxing jurisdiction, or may be reduced to
2 reflect substantial damage, destruction, or other factors causing a decline in value."

3 Section 2. The amendment set out in Section 1 of this act shall be submitted to
4 the qualified voters of the State at the general election in November 1998. The election
5 shall be conducted under the laws then governing elections in the State. Ballots, voting
6 systems, or both may be used in accordance with Chapter 163 of the General Statutes.
7 The question to be used in the voting systems and ballots shall be:

8 **"[] FOR [] AGAINST**

9 Constitutional amendment authorizing the General Assembly to set the fair
10 market value of property for property tax purposes as the property's fair market value as
11 shown on the 2000-01 tax bill or, thereafter, the appraised value of real property when
12 purchased, newly constructed, or a change in ownership has occurred after the 2000
13 assessment. The fair market value base may reflect from year to year the inflationary rate
14 not to exceed two percent (2%) for any given year."

15 Section 3. If a majority of the votes cast on the question are in favor of the
16 amendment set out in Section 1 of this act, the State Board of Elections shall certify the
17 amendment to the Secretary of State. The amendment becomes effective upon this
18 certification. The Secretary of State shall enroll the amendment so certified among the
19 permanent records of that office.

20 Section 4. This act is effective when it becomes law.