

NC FIRST DISCUSSION

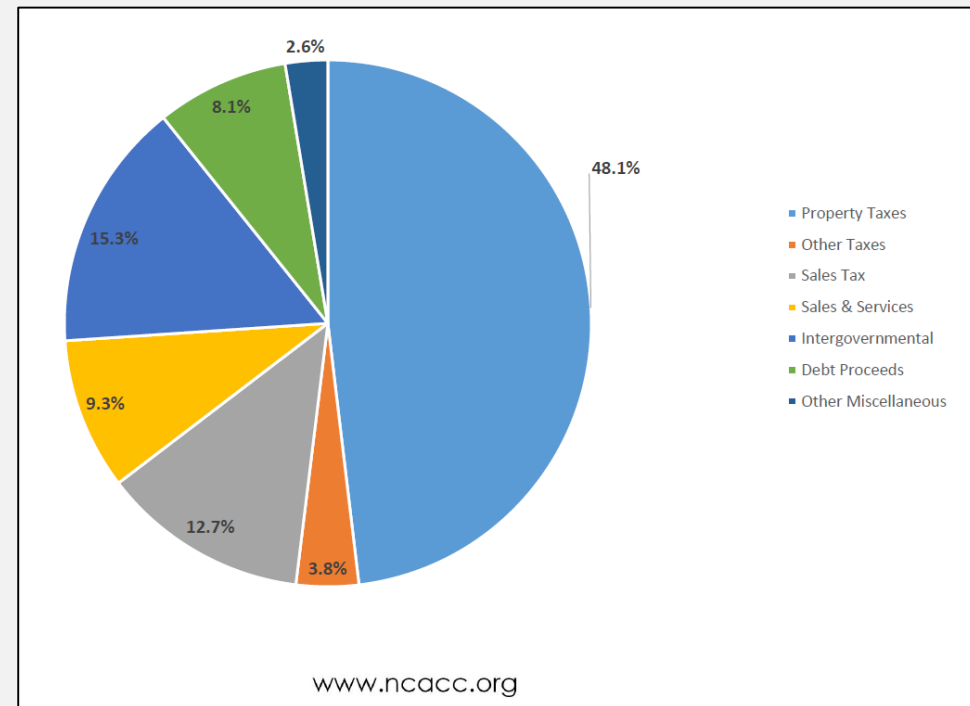
Michael Connolly, NC Department of Revenue, LGD

WHAT IS PROPERTY TAX

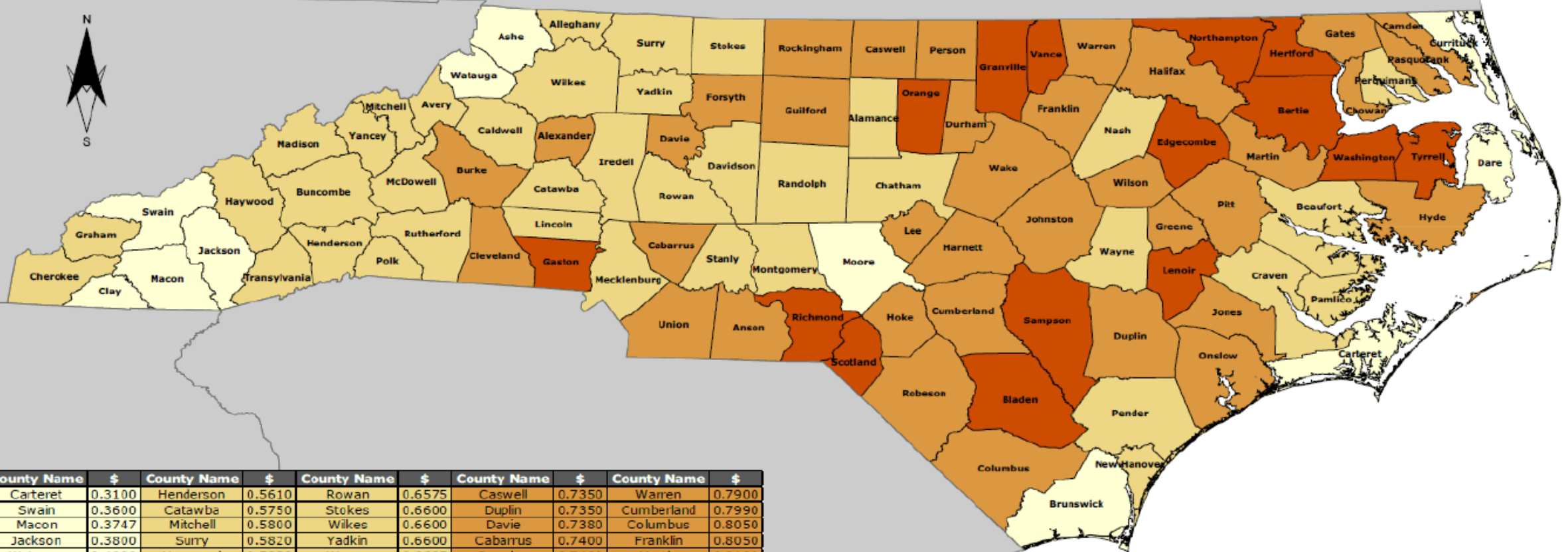
- Tax paid on property – based on the value of real and personal property.
- In NC, it is a local tax (All revenue is local revenue)
 - Appraised locally
 - Assessed locally
 - Collected locally
- Property tax rates are set annually by the county commissioners and municipal commissioners
- All property in NC is taxable unless it has been excluded or exempted.
- For motor vehicles, cities may charge a flat fee up to \$30

PROPERTY TAX IN NC

- One of the main revenue sources for the local governments.
- Revenue goes to pay for schools, parks, safety (police/fire/rescue) and general local government staff.
- Assessed Valuation/Revenues (FY2018-19)
\$1.1 Trillion/\$7.5 Billion



Property Tax Rates



County Name	\$	County Name	\$	County Name	\$	County Name	\$	County Name	\$
Carteret	0.3100	Henderson	0.5610	Rowan	0.6575	Caswell	0.7350	Warren	0.7900
Swain	0.3600	Catawba	0.5750	Stokes	0.6600	Duplin	0.7350	Cumberland	0.7990
Macon	0.3747	Mitchell	0.5800	Wilkes	0.6600	Davie	0.7380	Columbus	0.8050
Jackson	0.3800	Surry	0.5820	Yadkin	0.6600	Cabarrus	0.7400	Franklin	0.8050
Watauga	0.4030	Haywood	0.5850	Wayne	0.6635	Camden	0.7400	Martin	0.8100
Clay	0.4300	McDowell	0.5875	Alamance	0.6700	Hamett	0.7500	Bladen	0.8200
Ashe	0.4430	Perquimans	0.5900	Chatham	0.6700	Hoke	0.7500	Sampson	0.8250
Dare	0.4700	Alleghany	0.5970	Nash	0.6700	Forsyth	0.7535	Richmond	0.8300
Currituck	0.4800	Rutherford	0.5970	Stanly	0.6700	Chowan	0.7550	Gaston	0.8400
Brunswick	0.4850	Lincoln	0.5990	Burke	0.6950	Johnston	0.7600	Granville	0.8400
Moore	0.5100	Yancey	0.6000	Rockingham	0.6950	Halifax	0.7700	Hertford	0.8400
Cherokee	0.5200	Mecklenburg	0.6169	Onslow	0.7050	Hyde	0.7700	Lenoir	0.8450
Iredell	0.5275	Montgomery	0.6200	Durham	0.7122	Pasquotank	0.7700	Washington	0.8550
Buncombe	0.5290	Pamlico	0.6250	Cleveland	0.7200	Robeson	0.7700	Bertie	0.8650
Davidson	0.5400	Caldwell	0.6300	Wake	0.7207	Lee	0.7750	Orange	0.8679
Craven	0.5494	Randolph	0.6327	Pitt	0.7210	Anson	0.7770	Tyrrell	0.8800
Polk	0.5494	Beaufort	0.6350	Person	0.7300	Greene	0.7860	Vance	0.8900
Avery	0.5500	Transylvania	0.6360	Wilson	0.7300	Alexander	0.7900	Northampton	0.9150
Madison	0.5500	Pender	0.6450	Guilford	0.7305	Gates	0.7900	Edgecombe	0.9500
New Hanover	0.5550	Graham	0.6500	Union	0.7309	Jones	0.7900	Scotland	1.0000

Note: All 2019-20 Property Tax Rates are per \$100 valuation.

HOW IT WORKS

- Example
 - A Honda Pilot appraised at \$36,000 in Wake County (tax rate of \$.7207 per \$100) would generate taxes of \$259.45

$$\begin{array}{r} \$36,000 \\ \times .007207 \text{ (or } .7207/\$100) \\ \hline \$259.45 \end{array}$$

MOTOR VEHICLES IN NC

- For FY 2018-2019 the total value of all registered motor vehicles was approximately \$92,000,000,000.
- This does not include IRP vehicles nor non-registered vehicles.
- This also does not include vehicles owned or leased by Public Service Companies.

TAG AND TAX (VTS)

- **Vehicle Tax System – Implemented in 2013**
 - In NC all vehicles* are appraised, assessed and collected through the VTS.
 - Revenue is collected via DMV and property tax is dispersed back to the local governments.
- * **Not all vehicles go through the VTS**
 - IRP – All vehicles with gross weight over 26,000lbs (over 77,000 IRP's in NC)
 - Public Service Company vehicles – MFC, Utility Companies, etc.
 - Exempt – Government, Religious, Military Base Housing, etc.
 - Non-registered vehicles