

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1989

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HOUSE BILL 42
Committee Substitute Favorable 5/8/89
Third Edition Engrossed 5/10/89

Short Title: Disclosure of Sales Price.

(Public)

Sponsors:

Referred to:

January 19, 1989

A BILL TO BE ENTITLED

AN ACT TO OBTAIN INFORMATION ON REAL PROPERTY MARKET SALES DATA.

The General Assembly of North Carolina enacts:

Section 1. Chapter 105 of the General Statutes is amended by adding a new section to read:

"§ 105-303.1. Obtaining information on real property market sales data.

(a) Procedure. To facilitate the accuracy of county tax revaluations and the reliability of the State's sales-assessment ratio required by G.S. 105-289(h), the county assessor may mail to the record owner of real property conveyed by an instrument subject to G.S. 105-228.30, when the interest conveyed is in fee simple and the transaction meets the Department of Revenue's published sales ratio study guidelines, a real property transfer disclosure statement to be completed by the owner and returned to the assessor. The assessor may mail the disclosure statement to the owner within 30 days after the tax office has received a copy of the instrument conveying the property from the office of the register of deeds. The owner should return the disclosure statement to the assessor within 30 days after the date the disclosure statement was mailed to him. The statement shall advise the owner that his participation in the disclosure statement is voluntary.

(b) Content of Statement. The real property transfer disclosure statement shall state the date the tax assessor mailed the disclosure statement to the record owner of the

1 property conveyed and the confidentiality provisions of subsection (c). Space shall be
2 provided on the disclosure statement for the owner of the property conveyed to:

3 (1) State the name and address of the seller or grantor;

4 (2) State the name and address of the buyer or grantee;

5 (3) State the total consideration given for the property, including the
6 amount of any loan assumed by the grantee; and

7 (4) Certify that the consideration stated is the result of an arms length
8 transaction and is the true market value of the property transferred. If

9 the consideration stated is not the true market value for the property

10 transferred, space shall be provided on the disclosure statement for the
11 owner to give a brief description of the transaction.

12 (c) Confidentiality of Statement. A real property transfer disclosure statement is
13 not open to inspection by the public. It shall, however, be made available to the

14 Department of Revenue upon request. A disclosure statement may be used only by the
15 assessor or the Department of Revenue in making or defending a sales-assessment ratio

16 study, developing schedules of value, or defending appraisals in administrative or
17 judicial proceedings. It is unlawful for a local tax official or employee, or an officer or

18 employee of the Department of Revenue, to disclose information in a real property
19 transfer disclosure statement for a purpose other than the purposes listed in this

20 subsection.

21 (d) Penalties. A person who unlawfully discloses information in a disclosure
22 statement is guilty of a misdemeanor and is punishable by a fine of not less than two
23 hundred dollars (\$200.00) and not more than one thousand dollars (\$1,000)."

24 Sec. 2. This act shall become effective January 1, 1990.