

GENERAL ASSEMBLY OF NORTH CAROLINA
1995 SESSION

CHAPTER 329
SENATE BILL 496

AN ACT TO ALLOW LOCAL GOVERNMENTS TO FORGO COLLECTION OF
AD VALOREM TAX BILLS WHEN THE ORIGINAL PRINCIPAL AMOUNT
DUE IS UNDER FIVE DOLLARS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-321 is amended by adding a new subsection to read:

"(f) Minimal Taxes. – Notwithstanding the provisions of G.S. 105-380, the governing body of a taxing unit that collects its own taxes may, by resolution, direct its assessor and tax collector not to collect minimal taxes charged on the tax records and receipts. Minimal taxes are the combined taxes and fees of the taxing unit and any other units for which it collects taxes, due on a tax receipt prepared pursuant to G.S. 105-320 or on a tax notice prepared pursuant to G.S. 105-330.5, in a total original principal amount that does not exceed an amount, up to five dollars (\$5.00), set by the governing body. The amount set by the governing body should be the estimated cost to the taxing unit of billing the taxpayer for the amounts due on a tax receipt or tax notice. Upon adoption of a resolution pursuant to this subsection, the tax collector shall not bill the taxpayer for, or otherwise collect, minimal taxes but shall keep a record of all minimal taxes by receipt number and amount and shall make a report of the amount of these taxes to the governing body at the time of the settlement. These minimal taxes shall not be a lien on the taxpayer's real property and shall not be collectible under Article 26 of this Subchapter. A resolution adopted pursuant to this subsection must be adopted on or before June 15 preceding the first taxable year to which it applies and remains in effect until amended or repealed by resolution of the taxing unit."

Sec. 2. Chapter 24 of the 1995 Session Laws is repealed. A resolution adopted under G.S. 105-330.5(b1), as enacted by Chapter 24 of the 1995 Session Laws, prior to the effective date of this act will be considered a resolution adopted under G.S. 105-321(f) as enacted by this act.

Sec. 3. This act is effective for taxes imposed for taxable years beginning on or after July 1, 1995. Notwithstanding G.S. 105-321(f), as enacted by this act, a resolution on minimal property taxes adopted on or before June 30, 1995, applies to the 1995-96 taxable year.

In the General Assembly read three times and ratified this the 26th day of June, 1995.

Dennis A. Wicker
President of the Senate

Harold J. Brubaker
Speaker of the House of Representatives