

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

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HOUSE BILL 1639\*

Short Title: Brownfields Tax Incentive.

(Public)

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Sponsors: Representatives McComas, Gibson, McMahan; Mitchell and Morris.

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Referred to: Finance.

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May 18, 2000

A BILL TO BE ENTITLED

1 AN ACT TO CREATE A TAX INCENTIVE FOR THE REDEVELOPMENT OF  
2 BROWNFIELDS PROPERTIES, AS RECOMMENDED BY THE  
3 ENVIRONMENTAL REVIEW COMMISSION.  
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5 The General Assembly of North Carolina enacts:

6 Section 1. Article 12 of Chapter 105 of the General Statutes is amended by  
7 adding a new section to read:

8 "**§ 105-277.13. Taxation of improvements on brownfields.**

9 (a) Qualifying improvements on brownfields properties are designated a special  
10 class of property under Article V, Sec. 2(2) of the North Carolina Constitution and shall  
11 be appraised, assessed, and taxed in accordance with this section. An owner of land is  
12 entitled to the partial exclusion provided by this section for the first five taxable years  
13 beginning after the first completion of any qualifying improvements made after the later  
14 of July 1, 2000, or the date of the brownfields agreement. After property has qualified  
15 for the exclusion provided by this section, the assessor for the county in which the  
16 property is located shall annually appraise the improvements made to the property during  
17 the period of time that the owner is entitled to the exclusion.

18 (b) For the purposes of this section, the terms "qualifying improvements on  
19 brownfields properties" and "qualifying improvements" mean improvements made to real

1 property that is subject to a brownfields agreement entered into by the Department of  
2 Environment and Natural Resources and the owner pursuant to G.S. 130A-310.32.

3 (c) The following table establishes the percentage of the appraised value of the  
4 qualified improvements that is excluded based on the taxable year:

<u>Year</u>	<u>Percent of Appraised Value Excluded</u>
<u>Year 1</u>	<u>90%</u>
<u>Year 2</u>	<u>75%</u>
<u>Year 3</u>	<u>50%</u>
<u>Year 4</u>	<u>30%</u>
<u>Year 5</u>	<u>10%."</u>

12 Section 2. This act is effective for taxes imposed for taxable years beginning  
13 on or after July 1, 2001.