

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1995

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HOUSE BILL 1127

Short Title: Increase Pay of Property Tax Comm.

(Public)

Sponsors: Representatives Capps, Blue, Cansler, Church, Neely, G. Robinson, Shaw, and Shubert.

Referred to: Finance, if favorable, Appropriations.

May 15, 1996

A BILL TO BE ENTITLED

**AN ACT TO INCREASE THE COMPENSATION OF THE MEMBERS OF THE
PROPERTY TAX COMMISSION AND TO PROVIDE FOR REGIONAL
HEARINGS.**

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-288(a) reads as rewritten:

"(a) Creation and Membership. – The Property Tax Commission is created. It consists of five members, three of whom are appointed by the Governor and two of whom are appointed by the General Assembly. Of the two appointments by the General Assembly, one shall be made upon the recommendation of the Speaker of the House of Representatives and the other shall be made upon the recommendation of the President Pro Tempore of the Senate. The terms of the members appointed by the Governor and of the member appointed upon the recommendation of the President Pro Tempore of the Senate are for four years. Of the members appointed for four-year terms, two expire on June 30 of each odd-numbered year. The term of the member appointed upon the recommendation of the Speaker of the House of Representatives is for two years and it expires on June 30 of each odd-numbered year. The General Assembly shall make its appointments in accordance with G.S. 120-121 and shall fill a vacancy in accordance with G.S. 120-122. A vacancy occurs on the Commission when a member resigns, is

1 removed, or dies. The person appointed to fill a vacancy shall serve for the balance of
2 the unexpired term. The Governor may remove any member for misfeasance,
3 malfeasance, or nonfeasance.

4 The Commission shall have a chair and a vice-chair. The Governor shall designate
5 one of the Commission members as the chair, to serve at the pleasure of the Governor.
6 The members of the Commission shall elect a vice-chair from among its membership.
7 The vice-chair serves until the member's regularly appointed term expires.

8 The standards of judicial conduct applicable to administrative law judges apply to
9 members of the Property Tax Commission."

10 Sec. 2. G.S. 105-288(d) reads as rewritten:

11 "(d) Expenses. – The members of the Property Tax Commission shall receive travel
12 and subsistence expenses in accordance with ~~G.S. 138-5~~ and G.S. 138-5. The chair of the
13 Commission shall receive a salary of six hundred twenty-five dollars (\$625.00) a day
14 when hearing cases and when addressing administrative matters of the Commission, plus
15 an additional six hundred twenty-five dollars (\$625.00) for each three days of hearings.
16 The chair of the Commission may use up to two days a month to attend to administrative
17 matters of the Commission. The other members of the Commission shall receive a salary
18 of ~~two hundred dollars (\$200.00)~~ five hundred dollars (\$500.00) a day when hearing cases.
19 cases, plus an additional five hundred dollars (\$500.00) for each three days of hearings.
20 The Secretary of Revenue shall supply all the clerical and other services required by the
21 Commission. All expenses of the Commission and the Department of Revenue in
22 performing the duties enumerated in this Article shall be paid as provided in G.S. 105-
23 501."

24 Sec. 3. G.S. 105-290(b) reads as rewritten:

25 "(b) Appeals from Appraisal and Listing Decisions. – The Property Tax
26 Commission shall hear and decide appeals from decisions concerning the listing,
27 appraisal, or assessment of property made by county boards of equalization and review
28 and boards of county commissioners. Any property owner of the county may except to
29 an order of the county board of equalization and review or the board of county
30 commissioners concerning the listing, appraisal, or assessment of property and appeal the
31 order to the Property Tax Commission.

32 (1) In these cases, taxpayers and persons having ownership interests in the
33 property subject to taxation may file separate appeals or joint appeals at
34 the election of one or more of the taxpayers. It is the intent of this
35 provision that all owners of a single item of personal property or tract or
36 parcel of real property be allowed to join in one appeal and also that any
37 taxpayer be allowed to include in one appeal all objections timely
38 presented regardless of the fact that the listing or valuation of more than
39 one item of personal property or tract or parcel of real property is the
40 subject of the appeal.

41 (2) When an appeal is filed, the Property Tax Commission shall provide a
42 hearing ~~before representatives of the Commission or the full Commission~~ as
43 specified in this subdivision.

- 1 a. ~~Hearing by Commission Representatives. Values Less Than~~
2 ~~\$500,000. – In cases in which the county's assessed value of the~~
3 ~~property is less than five hundred thousand dollars (\$500,000),~~
4 ~~the The chair of the Commission may shall authorize one or more~~
5 ~~members member of the Commission or employees of the~~
6 ~~Department of Revenue to hear an appeal, to make examinations and~~
7 ~~investigations, to have made from stenographic notes a full and~~
8 ~~complete record of the evidence offered at the hearing, and to make~~
9 ~~recommended findings of fact and conclusions of law. the appeal.~~
10 ~~Prior to the hearing, the taxpayer who has filed the appeal may~~
11 ~~request that the appeal be heard by the full Commission. If the~~
12 ~~Commission agrees with the taxpayer's request, then the appeal~~
13 ~~will be heard by the full Commission. An order entered by or~~
14 ~~any other action taken by a single commissioner under this sub-~~
15 ~~subdivision is the same as an order entered by or an action taken~~
16 ~~by the full Commission and the order or action is binding on the~~
17 ~~full Commission. Should the Commission elect to follow this~~
18 ~~procedure, it shall fix the time and place at which its representatives~~
19 ~~will hear the appeal and, at least 10 days before the hearing, give~~
20 ~~written notice of the hearing to the appellant and to the clerk of the~~
21 ~~board of commissioners of the county from which the appeal is taken.~~
22 ~~At the hearing the Commission's representatives shall hear all evidence~~
23 ~~and affidavits offered by the appellant and appellee county and may~~
24 ~~exercise the authority granted by subsection (d), below, to obtain~~
25 ~~information pertinent to decision of the appeal. The representatives~~
26 ~~conducting the hearing shall submit to the Commission and to the~~
27 ~~appellant and appellee their recommended findings of fact and~~
28 ~~conclusions of law. Upon the request of any party, the representatives~~
29 ~~conducting the hearing shall also submit to the Commission and to the~~
30 ~~appellant and appellee a full record of the proceeding. The cost of~~
31 ~~providing the full record of the proceeding shall be borne by the party~~
32 ~~requesting it, unless the Commission determines for good cause that~~
33 ~~the cost should be borne by the Commission. The Commission shall~~
34 ~~review the record, the recommended findings of fact and conclusions~~
35 ~~of law, and any written arguments that may be submitted to the~~
36 ~~Commission by the appellant or appellee within 15 days following the~~
37 ~~date on which the findings and conclusions were submitted to the~~
38 ~~parties and shall take one of the following actions:~~
39 1. ~~Accept the recommended findings of fact and conclusions~~
40 ~~of law and issue an appropriate order as provided in~~
41 ~~subdivision (b)(3), below.~~
42 2. ~~Make new findings of fact or conclusions of law based~~
43 ~~upon the materials submitted by the Commission's~~
44 ~~representatives and issue an appropriate order as provided~~
45 ~~in subdivision (b)(3), below.~~

- 1 3. ~~Rehear the appeal under the procedure provided in~~
2 subdivision (b)(2)b, below, with respect to any portion of
3 the record or recommended findings of fact or conclusions
4 of law.
- 5 b. ~~Hearing by Full Commission. Values of \$500,000 or More. —Should~~
6 the Commission elect not to employ the procedure provided in
7 subdivision (b)(2)a, above, it In cases in which the county's
8 assessed value of the property is five hundred thousand dollars
9 (\$500,000) or more, the full Commission must hear the appeal
10 unless the county, the taxpayer, and the chair of the Commission
11 all agree that one member of the Commission shall hear the
12 appeal.
- 13 c. Procedures. — The chair of the Commission shall fix a time and
14 place at which the ~~commission~~ Commission shall hear the appeal
15 and, at least 10 days before the hearing, give written notice of the
16 hearing to the appellant and to the clerk of the board of
17 commissioners of the county from which the appeal is taken. At
18 the hearing the Commission shall hear all evidence and affidavits
19 offered by the appellant and appellee county and may exercise
20 the authority granted by subsection (d), below, to obtain
21 information pertinent to decision of the appeal. The Commission
22 shall make findings of fact and conclusions of law and issue an
23 appropriate order as provided in subdivision (b)(3), below.
- 24 (3) On the basis of the findings of fact and conclusions of law made after
25 any hearing provided for by this subsection (b), the Property Tax
26 Commission shall enter an order ~~(incorporating the findings and~~
27 ~~conclusions)~~—reducing, increasing, or confirming the valuation or
28 valuations appealed or listing or removing from the tax lists the property
29 whose listing has been appealed. The order must incorporate the
30 findings of fact and the conclusions of law. A certified copy of the
31 order shall be delivered to the appellant and to the clerk of the board of
32 commissioners of the county from which the appeal was taken, and the
33 abstracts and tax records of the county shall be corrected to reflect the
34 Commission's order."

35 Sec. 4. Under the authority of G.S. 105-290(b)(2), the Property Tax
36 Commission is strongly encouraged to authorize single member panels of the
37 Commission to travel to the three major geographic regions of the State to hear appeals.
38 The Commission will report to the Legislative Research Commission's Study Committee
39 on Revenue Laws, if it is authorized, or to another study committee authorized to study
40 tax matters if the Revenue Laws Study Committee is not authorized, on whether the small
41 panel hearings conducted throughout the State have made the appeals process more
42 accessible to the public. The Commission must report its findings on or before October
43 1, 1997. The report should include the number of cases filed with the Commission, the

1 number of cases resolved without a hearing before the Commission, the number of cases
2 resolved by a hearing before the Commission, the number of cases heard by a single
3 commissioner, the number of hearing days conducted by a single commissioner and the
4 location of those hearings, the citizen response to the regional location of the hearings,
5 the expenditures of the Commission for the 1996-97 fiscal year, and any other
6 information requested by the tax study committee.

7 Sec. 5. There is appropriated from the General Fund to the Department of
8 Revenue the sum of one hundred twenty-one thousand six hundred eighty dollars
9 (\$121,680) for the 1996-97 fiscal year to fund the increase in the per diem pay for the
10 commissioners of the North Carolina Property Tax Commission.

11 Sec. 6. This act becomes effective July 1, 1996.