

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1995

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SENATE BILL 1019

Short Title: Allow Property Tax Refund.

(Public)

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Sponsors: Senator Dannelly.

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Referred to: Finance

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May 4, 1995

A BILL TO BE ENTITLED

AN ACT TO ALLOW PROPERTY TAX REFUNDS FOR OVERPAYMENTS DUE  
TO CLERICAL ERRORS IN THE APPRAISAL OF PROPERTY.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-381(a) reads as rewritten:

"(a) Statement of Defense. – Any taxpayer asserting a valid defense to the enforcement of the collection of a tax assessed upon ~~his~~ the taxpayer's property shall proceed as ~~hereinafter provided.~~ provided in this section.

(1) For the purpose of this subsection, a valid defense shall include any of the following:

a. A tax imposed through clerical ~~error;~~ error in the computation of the tax or in the appraisal of the property.

b. An illegal ~~tax;~~ tax.

c. A tax levied for an illegal purpose.

(2) If a tax has not been paid, the taxpayer ~~may~~ may, at any time before paying the tax, make a demand for the release of the tax claim by submitting to the governing body of the taxing unit a written statement of ~~his~~ the defense to payment or enforcement of the tax and a request for release of the ~~tax at any time prior to payment of the tax.~~

1                   (3)     If a tax has been paid, the taxpayer, at any time within five  
2                   years after ~~said~~the tax first became due or within six months ~~from~~  
3                   after the date of payment of ~~such~~the tax, whichever is ~~the later date,~~  
4                   later, may make a demand for a refund of the tax paid by submitting  
5                   to the governing body of the taxing unit a written statement of ~~his~~the  
6                   defense and a request for refund ~~thereof~~of the tax."

7                   Sec. 2. G.S. 105-287(c) reads as rewritten:

8                   "(c)     An increase or decrease in the appraised value of real property authorized by  
9                   this section shall be made in accordance with the schedules, standards, and rules used in  
10                  the county's most recent general reappraisal or horizontal adjustment. An increase or  
11                  decrease in appraised value made under this section is effective as of January 1 of the  
12                  year in which it is made and is not retroactive. If the governing body refunds a tax paid  
13                  for an earlier year pursuant to G.S. 105-381(a)(1) because of a clerical error in the  
14                  appraisal of property, however, the governing body's correction of the appraisal error that  
15                  was the basis of the refund is retroactive to the earliest year for which the refund was  
16                  made. This section does not modify or restrict the provisions of G.S. 105-312 concerning  
17                  the appraisal of discovered property."

18                  Sec. 3. This act is effective for taxes imposed for taxable years beginning on  
19                  or after July 1, 1995.