

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

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HOUSE DRH50091-MC-84 (02/24)

Short Title: Modify Homestead Property Tax Exclusion. (Public)

Sponsors: Representatives Adams and Wainwright (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO INCREASE THE INCOME ELIGIBILITY LIMIT OF THE HOMESTEAD
3 EXCLUSION.

4 The General Assembly of North Carolina enacts:

5 SECTION 1. G.S. 105-277.1 reads as rewritten:

6 "§ 105-277.1. Elderly or disabled property tax homestead exclusion.

7 ...

8 (a2) Income Eligibility Limit. – For the taxable year beginning on July 1, ~~2008, 2011,~~ the
9 income eligibility limit is ~~twenty-five thousand dollars (\$25,000)~~ thirty-five thousand dollars
10 (\$35,000). For taxable years beginning on or after July 1, ~~2009, 2012,~~ the income eligibility
11 limit is the amount for the preceding year, adjusted by the same percentage of this amount as
12 the percentage of any cost-of-living adjustment made to the benefits under Titles II and XVI of
13 the Social Security Act for the preceding calendar year, rounded to the nearest one hundred
14 dollars (\$100.00). On or before July 1 of each year, the Department of Revenue must determine
15 the income eligibility amount to be in effect for the taxable year beginning the following July 1
16 and must notify the assessor of each county of the amount to be in effect for that taxable year.

17 (b) Definitions. – The following definitions apply in this section:

18 ...

19 (1a) Income. – All moneys received from every source other than gifts or
20 inheritances received from a spouse, lineal ancestor, or lineal descendant.
21 For married applicants residing with their spouses, the income of both
22 spouses must be included, whether or not the property is in both names. An
23 applicant's short-term and long-term capital losses, as defined in section
24 1222 of the Code and subject to the limitations of section 1211 of the Code,
25 shall be deducted in computing income.

26"

27 SECTION 2. This act is effective for taxes imposed for taxable years beginning on
28 or after July 1, 2011.

