



PROPERTY TAX RELIEF

North Carolina Law Provides
Three Types Of Property Tax
Relief for North Carolina
Residents

This brochure outlines
property tax relief for:

NCGS 105-277.1(b)

**Circuit Breaker Tax
Deferment**

Chatham County Tax Assessor
PO BOX 908
Pittsboro, NC 27312

Applications may be requested by:

- **Telephone:** (919) 545-8475
- **Office Visit**
12 East Street, Pittsboro
Business Hours 8:00-5:00
- **Email:**
christy.blackburn@chathamcountync.gov
- **Internet Website Address**
www.chathamcountync.gov
- **Written Request to :**
Chatham County Tax Assessor
Attention: Property Tax Relief
PO BOX 908
Pittsboro, NC 27312

Important to Remember

- January 1st—January 31st
Regular Listing Period
- June 1; Last day applications
accepted as timely.
- You must file an Application if you
think you qualify.

CIRCUIT BREAKER TAX DEFERMENT

This program allows taxes billed each year to be limited to a percentage of the qualifying owner's income. However, taxes in excess of the limitation are deferred and remain a lien on the property. The three most current years of deferred taxes prior to a disqualifying event will become due and payable, with interest, on the date of the disqualifying event.

Who is Eligible?

- A permanent resident of Chatham County, age 65 or older or 100% totally and permanently disabled as of Jan 1, with an income not exceeding \$55,050, and who has owned and occupied their residence for at least the last five calendar years prior to January 1 of the year for which the Application is made.

Definitions

- **Income:** All monies received from every source other than gifts or inheritances received from a spouse, lineal ancestor, or lineal descendant. For married applicants residing with their spouses, the income of both spouses must be included, whether or not the property is in both names. Income includes Wages, Salaries, Tips, Interest (Taxable and Exempt), Dividends, Capital Gains, IRA Distributions, Pensions and Annuities, Disability Payments, Social Security Benefits, Military Retirement, Widow's Pension, Business Income, Rental Income, Alimony, and all other monies received.
- **Permanent Residence:** A person's legal residence. **It includes the dwelling, the dwelling home site not to exceed one acre, and any related improvements.** The dwelling may be a single family residence, a unit in a multi-family residential complex, or a manufactured home.
- **Totally and Permanently Disabled:** Persons with a physical or mental impairment that substantially precludes him or her from obtaining gainful employment and appears reasonably certain to continue, without substantial improvement throughout their life. Form AV-9A must be submitted as proof of disability.

How the Circuit Breaker Program affects the Tax Bill?

- For an owner whose income amount for the previous calendar year, does not exceed the income eligibility limit for the current tax year (\$31,900), the owner's property tax bill will be limited to 4% of the owner's income.
- For an owner whose income amount for the previous calendar year, exceeds the income eligibility limit (\$31,900), but does not exceed 150% if the income eligibility limit, (\$55,050, the owner's property tax bill will be limited to 5% of the owner's income.
- The amount over the 4% or 5% is deferred.
- The deferred taxes are a lien on the property
- The deferred taxes become due and payable for the three most current years upon disqualification.