

**Chatham County Resolution Seeking Re-introduction and Legislative Approval of HB 1062 and HB 1142 Authorizing Chatham County to Levy One Percent Land Transfer Tax**

**Whereas**, Chatham County, North Carolina is located adjacent to a prospering region of the southeastern United States known as the Research Triangle Park and is adjacent to Wake County, which is the home of State government in North Carolina; and

**Whereas**, Chatham County is situated close to the major employment centers of the region, but because many of the well-paying jobs are located outside of Chatham County, the County has become a bedroom community to these employment centers, with over 60 percent of its working citizens already commuting to jobs outside of the county and this number continues to grow; and

**Whereas**, because residential development, with no benefit of a balanced commercial component of the tax base, is more demanding on our county services and has rapidly increased requirements for numerous capital improvements not previously required or planned for; and

**Whereas**, many Chatham landowners are already feeling and will continue to feel increasing pressures to sell their family land, fostering the abandonment of family farms as property taxes are raised in an effort to provide additional schools and other facilities; and

**Whereas**, the major increase in the school impact fee that would be required to meet these demands would have a tremendous negative impact on home buyers and would hurt those citizens who do not have the ability to pay ; and

**Whereas**, seven counties in North Carolina, that are not large employment centers in the state; i.e., **Currituck, Dare, Camden, Chowan, Pasquotank Perquimans and Washington Counties**, have previously been granted the authority to levy **One Percent Land Transfer Tax**; and

**Whereas**, **Currituck, Dare, Camden, Chowan, Pasquotank and Perquimans** have levied the **One Percent Land Transfer Tax** which has produced more than adequate revenues to meet their growth demands and has also resulted in a remarkably healthy and prosperous investor/developer/builder/realtor/buyer and community partnership; and

**Whereas**, the Currituck County Manager states, "This growth challenges our ability to provide public education. If not for the Land Transfer Tax, we would fall further behind in our school capital needs. We have just completed our revaluation and our county tripled in valuation, so I am hard pressed to see where the transfer tax has had any negative impact on the building practices here;" and

**Whereas**, the Dare County Manager states, "There is no statistical data anywhere in Dare County that the land transfer tax has hurt the industry (Realtors, Home Builders)"...and Dare County has been so successful it has **cut its One Percent Land Transfer Tax to One Half Percent and lowered its property tax rate to \$0.25, the lowest in the state;** and

**Whereas**, the Camden County Manager states, "This is a major revenue producer...If it were not for the land transfer tax Camden would be in a severely financially strapped position. We use these funds for all sorts of capital needs that otherwise we would not have the ability to provide; and

**Whereas**, the Chowan County Manager, states "I believe all the real estate agents in the County will confirm that the transfer tax has not impacted real estate sales in a negative manner but in fact has facilitated sales through improved infrastructure, schools, etc;" and

**Whereas**, the Pasquotank County Manager states, "It has worked very well here and it has not hurt the real estate industry at all. All of the counties in the Northeast that have the land transfer tax are having problems with too much growth instead of the reverse;" and

**Whereas**, the Perquimans County Manager states, "We rely heavily on our Land Transfer funds for our school projects. We are able to make necessary capital improvements that would otherwise have to come from increased property tax;" and

**Whereas**, **HB 1062 – Orange Chatham Transfer Taxes**, filed by Representatives Hackney and Insko, could have provided this revenue option to Chatham County. We request your support by re-introducing this bill; and

**Whereas**, **HB1142 – Revenue Options**, filed by Representatives Michaux, Insko and Parnom, could also have provided this revenue option to Chatham County and other counties who desire this option. We request your assistance in getting this bill re-introduced; and

**Whereas**, the intent of '05 **HB 1142 – Revenue Options**, remains a top priority for the **North Carolina Association of County Commissioners** and the **Triangle J - Council of Governments**; both entities having a wealth of experience with and active participation in problem solving at the county level; and

**Whereas**, prudence demands that we apply the principles of our successes, the **One Percent Land Transfer Tax** has proven to be 100% successful over 15 years of application; and

**Whereas**, the **One Percent Land Transfer Tax** may not be the option of choice for all counties, it is clearly the only responsible tax option available that will provide the revenue necessary properly to address the growth needs of Chatham County; and

**Whereas**, County Government is an extension of State Government and therefore our General Assembly should consider proven county revenue options which will allow Chatham County to meet its extreme growth demands.

**BE IT THEREFORE RESOLVED**, that the County Commissioners of Chatham County are requesting the North Carolina General Assembly to approve the 2007 re-introduced versions of HB 1062, HB 1142 or any generic Bill that fulfills the intent, authorizing Chatham County to levy a One Percent Land Transfer Tax in order to address its critical growth requirements.


Adopted this, the 4th day of December, 2006.



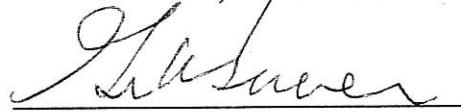
Patrick Barnes, Commissioner



Mike Cross, Commissioner



Tom Vanderbeck, Commissioner



George Lucier, Commissioner



Carl Thompson, Commissioner

ATTEST:



Sandra Sublett, Clerk to the Board