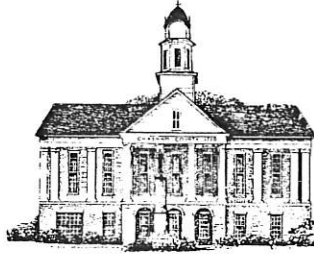


COUNTY OF CHATHAM

COMMISSIONERS
MARGARET BRYANT POLLARD, Chair
BETTY WILSON, Vice Chair
HENRY DUNLAP
JOHN GRIMES
UVA HOLLAND



CHARLIE HORNE
County Manager
ROBERT L. GUNN
County Attorney
Phone (919) 542-8200

P. O. BOX 87
PITTSBORO, N. C. 27312

ORGANIZED 1770 707 SQUARE MILES

RESOLUTION TO OPPOSE CURRENT PROPERTY TAX LEGISLATION

WHEREAS, the Chatham County Board of Commissioners in fulfillment of their obligation to the citizens of Chatham County desires that property taxes in Chatham County are fair and equitable to all taxpayers; and

WHEREAS, the Chatham County Board of Commissioners have seen an erosion in the property tax base; and

WHEREAS, the North Carolina General Assembly is the only authorized body, under Article 5 Section 2 of the Constitution of North Carolina, to pass laws governing property tax for the Counties of North Carolina; and

WHEREAS, House Bill 37, "To increase the Homestead Exemption amount and the income limit to twenty-five thousand dollars", contains no provision to compensate local governments for the lost revenue; and

WHEREAS, House Bill 282, "To exempt from property tax the increase in value of certain residential real property held for sale by a builder, to the extent the increase is attributable to subdivision or improvements by the builder", provides preferential treatment to developers and increases the tax burden to all other homeowners', even those in the process of building their own home; and

WHEREAS, Senate Bill 365 and House Bill 514, "To extend the number of years for which a taxpayer can request a property tax refund for taxes imposed as the result of a clerical or mathematical error and to allow local units of government to increase the assessed value of property for the same number of years when the value was determined by error", would impose increased financial burdens on the Counties for errors in many cases that are not generated by the County but come about from the Counties using the best available information; and

WHEREAS, Senate Bill 421, "To amend the Constitution of North Carolina to authorize the General Assembly to enact legislation allowing each county to (1) increase the amount of the property tax homestead exemption for low-income elderly and disabled individuals in that county and (2) raise the definition of "low-income" so that more elderly and disabled individuals can qualify for the exemption", contains no provision to compensate local governments for lost revenue from such increases; and

WHEREAS, Senate Bill 1062, "To amend the law regarding property tax on leasehold interests in exempt property", would provide preferential treatment to a specific group of taxpayers and thereby redistribute the tax burden to all other taxpayers; and

WHEREAS, House Bill 980, "To provide that crop allotments shall not be considered in appraising land for ad valorem tax purposes" would remove from taxation an asset that can be bought, sold, and traded and leave the lost revenue to be made up by other taxpayers including other farmers; and

WHEREAS, Senate Bill 1064 and House Bill 1138, "To allow a taxpayer who prevails in a property tax appeal to receive interest on any overpayment of tax and to authorize the Legislative Research Commission to study various property tax issues", would invite appeals when companies that win an appeal can receive a higher annual rate (nine percent) than if the money was invested in a bank; and

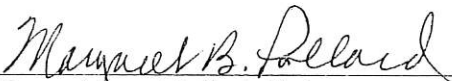
WHEREAS, there are many financial obligations, including unfunded mandates, imposed on Chatham County by State and Federal law; and

WHEREAS, each of the above bills would further erode the Chatham County tax base and thereby transfer the increased burden to other citizens including those less able to pay than those who would be exempted in the above bills.

NOW , THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the County of Chatham as follows:

- 1) The Board of Commissioners is opposed to each of the above bills.
- 2) The Board of Commissioners respectfully requests that the legislature not pass the above mentioned bills.
- 3) The Board of Commissioners supports the establishment of a committee by the legislature to study the fairness and equity of all property tax exemptions.
- 4) This Resolution shall be effective upon its adoption.

Unanimously adopted this, the 2nd day of June, 1997.


Margaret Bryant Pollard, Chair

ATTEST:


Sandra B. Lee, Clerk to the Board
Chatham County Board of Commissioners