



REQUEST FOR BOARD ACTION

ITEM NO. 8

DATE OF MEETING: December 14, 2015

REQUESTED BY: Justian Pound (Tax Assessor)

SHORT TITLE: Approval of Tax Refunds for Hampstead Bypass Properties.

BACKGROUND: The tax office discovered a tax exemption that should have been applied to certain parcels that have been infringed by the currently proposed route for the Hampstead bypass (GS 105-277.9).

SPECIFIC ACTION REQUESTED: The tax office wants to issue refunds to parcels that have been affected by the Bypass map.

Hampstead Bypass Valuation Project

The tax office was contacted by several tax payers and attorneys who requested meetings; they had questions for the tax office regarding the Hampstead bypass. They mentioned that they were owners who were affected by the Hampstead bypass and they wanted to know what tax office knew of the situation.

Having little detailed knowledge the tax office started researching the laws and statutes governing the taxation of properties inside a corridor. First thing we checked was its validity. We were looking to confirm that it fulfilled all statute requirements and was truly "active". The tax office spoke at length with DOT and WMPO to confirm that all legal requirements have been met to make the bypass map active and empowered. Lastly the tax office checked with planning to see if the restrictions to the affected properties were being enforced. Planning and Zoning confirmed they were in fact enforcing the restrictions under the map act adding a second layer of confirmation.

Once it was clear the map was active. The tax office moved to figure how we can use the current CAMA system and the existing schedule of values to incorporate the value exemptions mandated by GS 105-277.9A. The Statute says "Real property...that lies within a transportation corridor marked on an official map"; because of this verbiage the tax office felt the law intended to exclude only the property under the corridor. The Statue also mandated a valuation at 20% of the appraised value for raw land and 50% of appraised value for land with improvements on them and under the corridor.

Given that nature of the corridor and its uncertain future we did not feel the values would be adequately reflected if we split and remapped the affected parcels. The tax office began to measure segments of the land that fell under the bypass and list all improvements from on the tax record that were affected. Using the land segments that matched the described areas we valued each of the segments as mandated in the General Statue.

Unfortunately the mapping and appraisal work was completed after the Board of Equalization and Review had adjourned. By statute a tax payer has the right to appeal if his/her property value is changed, so we set aside time in the winter session of Board of Equalization and Review for the affected parcels. To notify property owners we sent out unique value change notice on brightly colored paper explaining the change and what generated it. The tax office needed have a stopping point for appeals so all affected property owners had 30 days from the date of notification to appeal for the current tax year. With the tax payer being made fully aware that it was for tax value only no decision on the legality of the bypass would be considered.

As of 10/15/2015 the tax office is beginning to work out the process for the refunds and/or releases of the affected parcels. We are working with the County Manager, Finance Director and County Attorney to put a plan in place for the county to process the refunds.

Early Estimates:

2012			2013			2014			
2012 Levy	2012 Adj Levy	Difference	2013 Levy	2013 Adj Levy	Difference	2014 Levy	2014 Adj Levy	Difference	Total
\$ 204,959.88	\$ 167,865.78	\$ 31,692.98	\$ 213,940.45	\$ 153,227.24	\$ 55,038.09	\$ 211,896.96	\$ 181,950.44	\$ 29,159.84	\$ 115,890.92
2012 Value	ADJ 2012 Value	Difference	2013 Value	ADJ 2013 Value	Difference	2014 Value	ADJ 2014 Value	Difference	Total
\$ 32,474,268.00	\$ 26,591,293.00	\$ 5,035,311.00	\$ 31,955,257.00	\$ 26,681,175.00	\$ 4,426,418.00	\$ 31,650,031.00	\$ 27,177,064.00	\$ 4,355,466.00	\$ 13,817,195.00



Justian Pound Tax Assessor