

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2019

H.B. 959  
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HOUSE PRINCIPAL CLERK

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HOUSE BILL DRH40376-MCf-164

Short Title: Exempt Cemetery Property. (Public)

Sponsors: Representatives Strickland, Saine, and K. Hall (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED  
2 AN ACT TO EXEMPT COMMERCIAL BURIAL PROPERTY FROM PROPERTY TAXES.  
3 The General Assembly of North Carolina enacts:

4 SECTION 1. G.S. 105-278.2 reads as rewritten:

5 "§ 105-278.2. Burial property.

6 (a) Commercial Property. – Real property set apart for burial purposes shall be exempted  
7 from taxation unless it is owned and held for purposes of (i) sale or rental or (ii) sale of burial  
8 rights therein. No application is required under G.S. 105-282.1 for property exempt under this  
9 subsection. A county cannot deny the exemption provided under this subsection to a taxpayer  
10 that lacks a survey or plat detailing the exempt property. therein is exempted from taxation. If  
11 property set apart for burial purposes under this subsection no longer qualifies as burial property,  
12 the tax exemption is forfeited. Property set apart for burial purposes under this subsection no  
13 longer qualifies when that property is sold, conveyed, leased, encumbered, or disposed of for a  
14 purpose other than burial purposes. The taxpayer must notify the Department within 14 days of  
15 the forfeiture. A taxpayer that forfeits the tax exemption under this subsection is liable for all  
16 past taxes avoided on the forfeited property plus interest at the rate established under  
17 G.S. 105-241.21, computed from the date the taxes would have been due if the exemption had  
18 not been allowed. The past taxes and interest are due 30 days after the date the exemption is  
19 forfeited; a taxpayer that fails to pay the past taxes and interest by the due date is subject to the  
20 penalties provided in G.S. 105-236.

21 (b) ~~Taxable real property set apart for human burial purposes is hereby designated a~~  
22 ~~special class of property under authority of Article V, Section 2(2) of the North Carolina~~  
23 ~~Constitution, and it shall be assessed for taxation taking into consideration the following:~~ Other  
24 Property. – Real property not held for the purposes listed in subsection (a) of this section that is  
25 set apart for burial purposes is exempted from taxation. A county cannot deny the exemption  
26 provided under this subsection to a taxpayer that lacks a survey or plat detailing the exempt  
27 property.

- 28 (1) ~~The effect on its value by division and development into burial plots;~~  
29 (2) ~~Whether it is irrevocably dedicated for human burial purposes by plat recorded~~  
30 ~~with the Register of Deeds in the county in which the land is located; and~~  
31 (3) ~~Whether the owner is prohibited or restricted by law or otherwise from selling,~~  
32 ~~mortgaging, leasing or encumbering the same.~~

33 (c) Terms. – For purposes of this section, the term "real property" includes land, tombs,  
34 vaults, monuments, and mausoleums, and the term "burial" includes entombment, entombment,  
35 and the term "real property" includes any of the following on the burial property:

- 36 (1) Land.



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1           (2)    Tombs, vaults, monuments, or mausoleums.

2           (3)    Buildings, structures, improvements, or permanent fixtures."

3           **SECTION 2.** G.S. 105-282.1 reads as rewritten:

4   "**§ 105-282.1. Applications for property tax exemption or exclusion; annual review of**  
5   **property exempted or excluded from property tax.**

6       (a)    Application. – Every owner of property claiming exemption or exclusion from  
7   property taxes under the provisions of this Subchapter has the burden of establishing that the  
8   property is entitled to it. If the property for which the exemption or exclusion is claimed is  
9   appraised by the Department of Revenue, the application shall be filed with the Department.  
10   Otherwise, the application shall be filed with the assessor of the county in which the property is  
11   situated. An application must contain a complete and accurate statement of the facts that entitle  
12   the property to the exemption or exclusion and must indicate the municipality, if any, in which  
13   the property is located. Each application filed with the Department of Revenue or an assessor  
14   shall be submitted on a form approved by the Department. Application forms shall be made  
15   available by the assessor and the Department, as appropriate.

16       Except as provided below, an owner claiming an exemption or exclusion from property taxes  
17   must file an application for the exemption or exclusion annually during the listing period.

18       (1)    No application required. – Owners of the following exempt or excluded  
19   property do not need to file an application for the exemption or exclusion to  
20   be entitled to receive it:

21       a.     Property exempt from taxation under G.S. 105-278.1 or ~~G.S.~~  
22       ~~105-278.2.~~G.S. 105-278.2(b).

23       ...

24       (2)    Single application required. – An owner of one or more of the following  
25   properties eligible for a property tax benefit must file an application for the  
26   benefit to receive it. Once the application has been approved, the owner does  
27   not need to file an application in subsequent years unless new or additional  
28   property is acquired or improvements are added or removed, necessitating a  
29   change in the valuation of the property, or there is a change in the use of the  
30   property or the qualifications or eligibility of the taxpayer necessitating a  
31   review of the benefit.

32       a.     Property exempted from taxation under ~~G.S. 105-278.3,~~  
33       G.S. 105-278.2(a), 105-278.3, 105-278.4, 105-278.5, 105-278.6,  
34       105-278.7, or 105-278.8.

35       ...."

36       **SECTION 3.** This act is effective for taxes imposed for taxable years beginning on  
37   or after July 1, 2020.