



# Durham County Tax Administration 2019 Revaluation Update

February 11, 2019





# General Information

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- Reappraisal is required at least every eight years
- The process resets all real property tax values to current market value, as of January 1 of the reappraisal year
- Property tax values generally do not change from year to year until the next reappraisal. Exceptions include new construction
- Reappraisal only applies to real property
- There are about 116,000 real property parcels in Durham County



# Taxable property types

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As of 2018, real property represents about 82% of the total value for all taxable property types

## Other taxable property types include:

- **Public Service Company property – 2.0%**  
(Utilities, airlines, railroads, etc.)
- **Personal property – 10.0%**  
*(Used in a business; also includes boats, planes, and some other items owned by individuals)*
- **Registered Motor Vehicles – 6.0%**



# Reappraisal objective

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- Appraise all real property in the county at 100% of its market value, as defined by statute
- NCGS 105-283: “all property, real and personal, shall as far as practicable be appraised or valued at its true value in money.”
- True value in money is “the price estimated in terms of money at which the property would change hands between a willing and financially able buyer and a willing seller, neither being under any compulsion to buy or sell and both having reasonable knowledge of all the uses to which the property is adapted and for which it is capable of being used.”



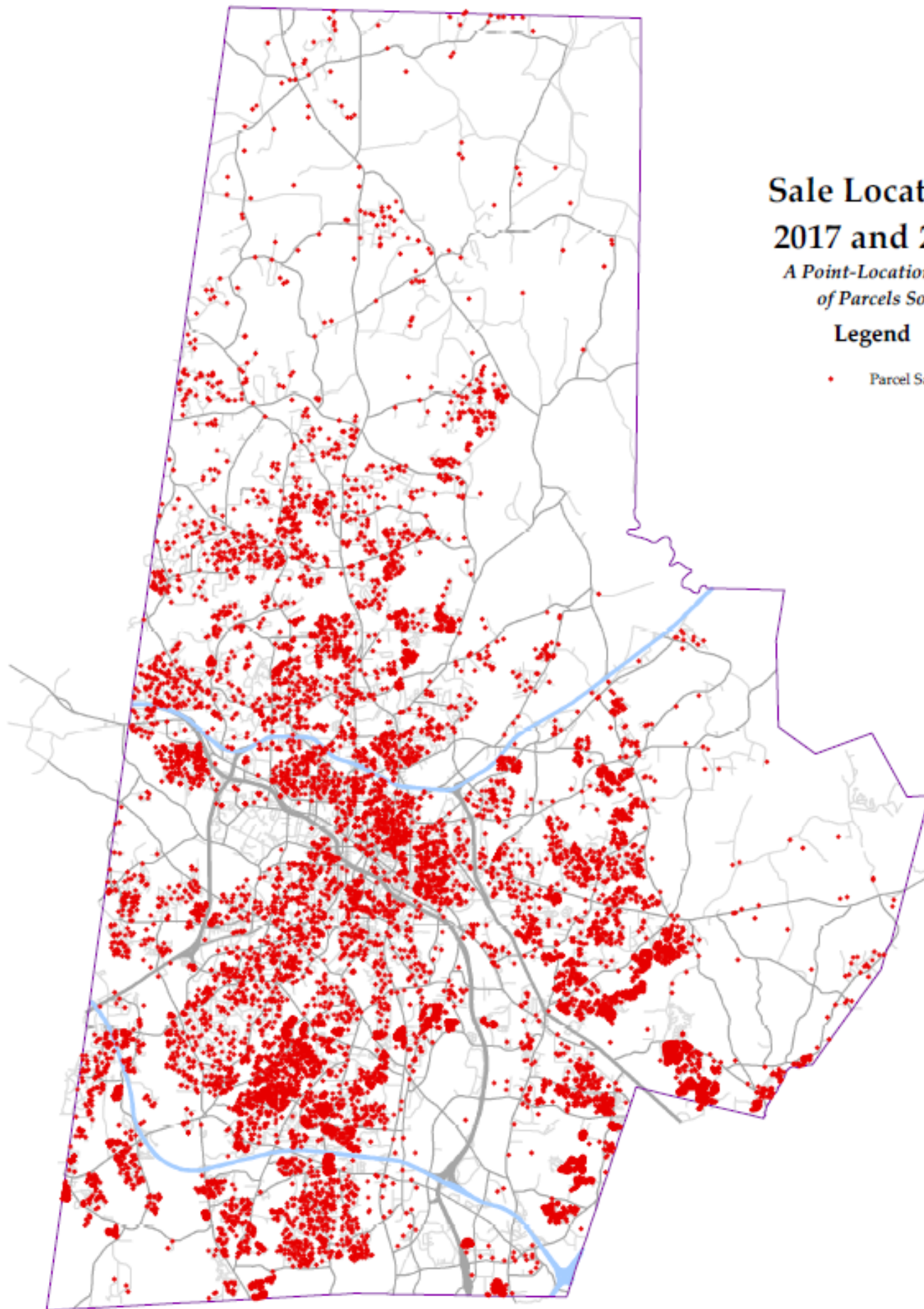
# Tracking market value

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- All real property transactions are reviewed
- Transactions that appear to be consistent with the statute are qualified and used for sales analysis
- For the 2019 Reappraisal, we have considered approximately 12,500 qualified sales in analyzing market patterns and trends
- The qualified sales occurred within the January 1, 2017 – December 31, 2018 date range







## Sale Locations 2017 and 2018

*A Point-Location Map  
of Parcels Sold*

### Legend

• Parcel Sale



# Included with the Notices

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In addition to the Change of Value Notices, all property owners were mailed:

- Complete information on the reappraisal and appeals process
- Directions for reviewing property listings and market values
- A brochure about available property tax relief programs
- A brochure about how to appeal property values



## What property tax relief programs does North Carolina offer?

### WHAT TERMS DO I NEED TO KNOW?



Property tax relief programs apply only to the permanent residence. The **permanent residence** includes the dwelling, the dwelling site (not to exceed one acre) and related improvements.



For qualification purposes, **income** is defined as 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 spouse, the income of both must be included, even if the property is not in both names.

### APPLICATION FILING PERIOD

January 1 – June 1, 2019

### OUR OFFICE IS LOCATED AT

201 East Main St., Third Floor,  
Durham, NC 27701

### ELDERLY/DISABLED HOMESTEAD EXCLUSION

#### Benefit:

*Assessment reduction of \$25,000 or 50% of the appraised value of permanent residence, whichever is greater*

- Age 65 or older as of January 1 or totally and permanently disabled as of January 1
- Income must be **\$30,200 or less**
- NC Resident
- One-time application required

### DISABLED VETERAN EXCLUSION

#### Benefit:

*Assessment reduction of the first \$45,000 of the appraised value of permanent residence*

- Available to a Disabled Veteran whose character of service at separation was honorable or under honorable conditions, or their unmarried surviving spouse.
- Must also meet **one of the following requirements:**
  1. Received benefits for specially adapted housing under 38 USC 2101 as of January 1.
  2. Received certification by the US Department of Veterans Affairs that the veteran has a service-connected, permanent and total disability as of January 1.
  3. The veteran is deceased, and the veteran's death was a result of a service-connected condition as of January 1 as certified by the US Department of Veterans Affairs.
- NC Resident
- One-time application required

### CIRCUIT BREAKER—ELDERLY/ DISABLED DEFERMENT

#### Benefit:

- Tax Limitation is 4% of income if income is **\$30,200 or less**
- Tax Limitation is 5% of income if income is from **\$30,201 to \$45,300**
- Age 65 or older as of January 1 or totally and permanently disabled as of January 1
- Must have owned and occupied property as the owner's permanent legal residence for five years
- NC Resident
- Income cannot exceed \$45,300
- Requires an annual application
- Taxes over the limitation are deferred taxes
- Deferred taxes are a lien on the property
- Interest accrues on deferred taxes as if they had been payable on the original due dates
- **The last three years of deferred taxes preceding the current tax year become due and payable upon a disqualifying event**

#### What are the Circuit Breaker disqualifying events?

- Death of the owner
- Transfer of the property
- Owner ceases to use property as a permanent residence

#### Are there any exceptions to these Circuit Breaker disqualifying events?

- Death is not a disqualifying event if ownership passes to a co-owner or spouse
- Transfer is not a disqualifying event if title passes to a co-owner or to a spouse as a result of a divorce proceeding





# 2019

## Reappraisal Appeals Guide



Tax Administration



# Appeals process

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**Property owners are requested to follow this process:**

1. Review our records on their property and report any updates;
2. Compare their tax value with actual sale prices of similar properties; and
3. If they still believe their property value is incorrect, they are encouraged to appeal the value.

*The above steps can be completed by following the links provided at a single page on the [dconc.gov](http://dconc.gov) site*



# Appeals process

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- For those without internet access, the paper appeal forms can be filed
- Citizens can email, call, or visit our office for assistance
- After the notices are mailed, we will be taking appointments for citizens to meet with staff in order to answer questions and discuss options
- Meetings will take place in 5 county libraries and at the Administration II Building
- Citizens will be able to schedule appointments either online or by contacting our office





# Individual Meetings to Discuss Appraisals\*

DATE		TIME	LOCATION	
02/18/2019	MONDAY	12:00 PM - 4:00 PM	NORTH REGIONAL	221 MILTON RD
02/19/2019	TUESDAY	11:30 AM - 3:00 PM	NORTH REGIONAL	221 MILTON RD
02/20/2019	WEDNESDAY	9:00 AM - 4:00 PM	EAST REGIONAL	211 LICK CREEK LANE
02/21/2019	THURSDAY	9:00 AM - 8:00 PM	ADMIN BLDG. II	201 E. MAIN ST.
02/22/2019	FRIDAY	12:00 PM - 4:30 PM	SOUTHWEST	3605 SHANNON RD.
02/23/2019	SATURDAY	9:00 AM - 12:00 PM	ADMIN BLDG. II	201 E. MAIN ST.
02/25/2019	MONDAY	9:00 AM - 4:00 PM	STANFORD L. WARREN	1201 FAYETTEVILLE ST.
02/26/2019	TUESDAY	12:00 PM - 4:00 PM	SOUTHWEST	3605 SHANNON
02/27/2019	WEDNESDAY	9:00 AM - 4:00 PM	EAST REGIONAL	211 LICK CREEK LANE
02/28/2019	THURSDAY	9:00 AM - 8:00 PM	ADMIN BLDG. II	201 E. MAIN ST.
03/01/2019	FRIDAY	9:00 AM - 4:00 PM	SOUTH REGIONAL	4505 S. ALSTON AVE.

\*Residents can schedule an appointment to meet with staff to discuss the appraisal process. On-line registration at [www.dconnc.gov/taxhelp](http://www.dconnc.gov/taxhelp)



# Appeal timing

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- Based on statutory requirements and the recommendation of the NC Department of Revenue, the Board of Equalization and Review adjournment date is May 3, 2019.
- **To ensure staff will have adequate opportunity to thoroughly review appeal data, we strongly recommend that property owners who wish to appeal their values do so by March 15, 2019.**



# The big picture

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- Countywide, here's how total real property assessed value has changed:

Total 2018 RP Value(2016 rates)	Total 2019 RP Projected Value*	% Change
\$30,695,493,688	\$36,679,717,847	19.5%

\*This amount excludes expected annual growth of 3.5 % county-wide. Decreases resultant from potential appeals or newly approved tax exemptions have not been excluded. In the 2016 revaluation, this amount translated to a 2% RP valuation decrease. The 2019 adjustments will be finalized in upcoming months.

- Here are the rates of change for different property types:

Property Type	% Change
Residential	17.7%
Commercial	22.7%
Industrial	16.9%





# The big picture

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- Citywide, here's how total real property assessed value has changed:

Total 2018 RP Value (2016 rates)	Total 2019 RP Projected Value*	% Change
\$25,464,291,767	\$30,749,459,444	+20.76%

\*This amount excludes expected annual growth of 3.68 % city-wide. Decreases resultant from potential appeals or newly approved tax exemptions have not been excluded. In the 2016 revaluation, this amount translated to a 2.5% RP valuation decrease. The 2019 adjustments will be finalized in upcoming months.

- Here are the rates of change for different property types:

Property Type	% Change
Residential	+19.14%
Commercial	+23.07%
Industrial	+21.67%



# Contact information

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## Durham County Tax Administration

Interim Tax Administrator  
Teresa Hairston  
201 East Main Street,  
3<sup>rd</sup> Floor  
Durham, NC 27701

(919) 560-0300 office  
(919) 560-0350 fax

**Email: [tax\\_reval@dconc.gov](mailto:tax_reval@dconc.gov)**



<http://www.dconc.gov/taxhelp>

