

17 NCAC 10 .0101 LOCATION

History Note: Authority G.S. 105-271 to 105-395; 143B-10; 143B-221;
 Eff. February 1, 1976;
 Amended Eff. July 1, 1993;
 Repealed Eff. July 1, 2000.

17 NCAC 10 .0102 GENERAL PURPOSES
17 NCAC 10 .0103 DIVISIONAL ORGANIZATION

History Note: Authority G.S. 105-271 to 105-395; 105-288(a)(1); 105-288(a)(2); 143B-10; 143B-217 to 143B-225;
 143B-217 to 143B-228;
 Eff. February 1, 1976;
 Repealed Eff. July 1, 1993.

SECTION .0200 - GENERAL PROVISIONS

17 NCAC 10 .0201 CERTIFICATION OF COUNTY ASSESSORS

In the exercise of its duty to certify county assessors for appointment by county boards of commissioners, the division has established qualifications for certification. These qualifications are specified in 17 NCAC 10 .0504.

History Note: Authority G.S. 105-262; 105-289(d); 105-291(b); 105-294(b);
 Eff. February 1, 1976;
 Amended Eff. July 1, 1993;
 Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 20,
 2016.

17 NCAC 10 .0202 AUTHORITY TO PRESCRIBE FORMS

The division has established no uniform standards for tax listing forms used by counties and municipalities. It does, however, review such forms to insure that they comply with all statutory requirements. Approval is given to those meeting the requirements.

History Note: Authority G.S. 105-262; 105-291(b); 105-291(f);
 Eff. February 1, 1976;
 Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 20,
 2016.

17 NCAC 10 .0203 FURNISHING INFORMATION

History Note: Authority G.S. 105-259; 105-289(e); 105-291;
 Eff. February 1, 1976;
 Amended Eff. June 1, 1982;
 Repealed Eff. July 1, 1993.

17 NCAC 10 .0204 GRANTS TO COUNTIES AND CITIES TO OFFSET HURRICANE LOSSES

History Note: Authority S.L. 99-463;
 Temporary Adoption Eff. February 24, 2000 to Expire on July 1, 2000;
 Temporary Adoption Expired on July 1, 2000.

SECTION .0300 - EXCLUSION FOR PROPERTY USED FOR POLLUTION ABATEMENT

17 NCAC 10 .0301 INTRODUCTION
17 NCAC 10 .0302 PURPOSE
17 NCAC 10 .0303 DEFINITIONS

17 NCAC 10 .0304	SCOPE
17 NCAC 10 .0305	PROCEDURE FOR CLAIMING EXCLUSION
17 NCAC 10 .0306	VALUATION OF EXCLUDED PROPERTY
17 NCAC 10 .0307	INSPECTION OF PROPERTY BY TAX SUPERVISOR
17 NCAC 10 .0308	INQUIRIES

History Note: Filed as a Temporary Rule Eff. January 14, 1983, for a Period of 45 Days to Expire on March 1, 1983;
 Authority G.S. 105-275(27) a through d; 105-275(28); 105-282.1; 105-283; 105-307; 143-213;
 Eff. March 1, 1983;
 Repealed Eff. March 1, 1984.

**SECTION .0400 - EXCLUSION FOR PERSONAL PROPERTY USED FOR COTTON DUST
 PREVENTION OR REDUCTION**

17 NCAC 10 .0401	INTRODUCTION
17 NCAC 10 .0402	PURPOSE

History Note: Filed as a Temporary Rule Eff. January 12, 1984, for a Period of 48 Days to Expire on March 1, 1984;
 Authority G.S. 105-275(8); 105-275(8)c;
 Eff. March 1, 1984;
 Repealed Eff. July 1, 1993.

17 NCAC 10 .0403 DEFINITIONS

In construing the provisions of G.S. 105-275(8)c and this Section, the following definitions and interpretations shall apply:

- (1) "Used Exclusively" means used only or solely, to the exclusion of all other uses.
- (2) "Cotton Dust" means dust present in the air during the handling or processing of cotton, which may contain a mixture of many substances including ground up plant matter, fiber, bacteria, fungi, soil, pesticides, non-cotton plant matter and other contaminants which may have accumulated with the cotton during the growing, harvesting and subsequent processing or storage periods. Any dust present during the handling and processing of cotton through the weaving or knitting of fabrics is considered cotton dust.
- (3) "Textile Plant."
 - (a) "Textile Plant" means a factory or other industrial or manufacturing workplace where cotton or cotton-blend fibers or yarns are manufactured or processed, up to and including the weaving or knitting of fabrics.
 - (b) "Textile Plant" does not mean a factory or other industrial or manufacturing workplace where woven or knitted cloth or fabric is handled or processed. For example, a factory where garments are manufactured is not a "textile plant."

History Note: Authority G.S. 105-262; 105-275(8)c; 105-291(b);
 Temporary Rule Eff. January 12, 1984, for a Period of 48 Days to Expire on March 1, 1984;
 Eff. March 1, 1984;
 Amended Eff. July 1, 1993;
 Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 20, 2016.

17 NCAC 10 .0404 SCOPE

- (a) The tangible personal property covered by G.S. 105-275(8)c includes the following types of equipment:
 - (1) Safety apparel, masks, respirators, breathing apparatus or any other item of personal protective equipment used exclusively to protect employees from hazardous exposure to cotton dust.

- (2) Scrubbers, filters, cyclones, condensers, separators, spray chambers, water curtains or any other item of machinery, equipment or material that is used to reduce the level of cotton dust by removal or collection of the cotton dust from the air.
- (3) Fans, pumps compressors or any other power-driven machine that causes a continuous flow of air.
- (4) Electrical wiring, ductwork, piping, motors, control system, equipment enclosures, special structural support systems or any other supporting equipment associated with and necessary for the proper operation of any category of personal property listed in Subparagraphs (2) and (3) of this Paragraph.

(b) The Subparagraphs listed in Paragraph (a) of this Rule are for illustrative purposes only and are not intended to be an exhaustive listing of qualifying property. Neither does the inclusion of an item in this list indicate that it will, in every case, qualify for the exclusion. A determination must be made in each case that the property claimed as exempt meets all requirements of the exclusion.

*History Note: Authority G.S. 105-262; 105-275(8)c; 105-291(b);
Temporary Rule Eff. January 12, 1984, for a Period of 48 Days to Expire on March 1, 1984;
Eff. March 1, 1984;
Amended Eff. July 1, 1993;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 20, 2016.*

17 NCAC 10 .0405 PROCEDURE FOR CLAIMING EXCLUSION

(a) In order to receive the benefit of G.S. 105-275(8)c, the owner must file an application for exemption with the county assessor of the county in which the property is situated as provided in G.S. 105-282.1. The application is to be filed during the regular listing period as provided in G.S. 105-307.

(b) The application must contain a complete description of the property and shall reflect investment figures and pertinent information relative to its value.

(c) The application shall also be accompanied by any other information or documents required by the county assessor to determine the eligibility of the property for the exclusion, such as the following:

- (1) general layout of the equipment or system;
- (2) specifications of the equipment or system;
- (3) function(s) of the equipment or system;
- (4) construction schedule, if not completed, including the anticipated date of final completion; or
- (5) the names, addresses and telephone numbers of the individuals responsible for management, operation and maintenance of the equipment or system.

*History Note: Authority G.S. 105-262; 105-275(8)c; 105-282.1; 105-291(b); 105-307;
Temporary Rule Eff. January 12, 1984, for a Period of 48 Days to Expire on March 1, 1984;
Eff. March 1, 1984;
Amended Eff. July 1, 2000; July 1, 1993;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 20, 2016.*

17 NCAC 10 .0406 VALUATION OF EXCLUDED PROPERTY

(a) After a determination has been made that certain property meets all the requirements for exclusion under G.S. 105-275(8)c, the county assessor must then establish the amount to be excluded. This determination shall be made in accordance with the methods used by the county to appraise other similar property subject to taxation.

(b) Although the statute does not provide for proration, it does not preclude the exclusion of otherwise qualifying property which, by the nature of an operation, is a component part or system of a total operating system. An example of this is the ductwork and filtration system which is a part of an automated bale opening system in a textile plant. The ductwork and filtration system along with related wiring and piping would qualify for the exclusion even though the opener itself and any related production equipment would not.

(c) In any case in which the property owner is unable to furnish exact figures or other specific information regarding the value of qualifying property, the county assessor shall estimate the amount to be excluded on the basis of the best information available.

History Note: Authority G.S. 105-262; 105-275(8)c; 105-283; 105-291(b);

*Temporary Rule Eff. January 12, 1984, for a Period of 48 Days to Expire on March 1, 1984;
Eff. March 1, 1984;
Amended Eff. July 1, 1993;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 20,
2016.*

17 NCAC 10 .0407 AUTHORITY OF TAX SUPERVISOR
17 NCAC 10 .0408 INQUIRIES

*History Note: Filed as a Temporary Rule Eff. January 12, 1984, for a Period of 48 Days to Expire on March 1,
1984;
Authority G.S. 105-275(8); 105-275(8)c; 105-296(a);
Eff. March 1, 1984;
Repealed Eff. July 1, 1993.*

**SECTION .0500 - TRAINING/CERTIFICATION: COUNTY ASSESSORS: AD VALOREM TAX
APPRAISALS**

17 NCAC 10 .0501 INTRODUCTION
17 NCAC 10 .0502 PURPOSE

*History Note: Authority G.S. 105-289(d);
Eff. August 1, 1984;
Repealed Eff. July 1, 1993.*

17 NCAC 10 .0503 COVERAGE

*History Note: Authority G.S. 105-289(d); 105-294(c)(d); 105-296(b); 105-299;
Eff. August 1, 1984;
Repealed Eff. October 1, 1993.*

17 NCAC 10 .0504 CERTIFICATION REQUIREMENTS FOR COUNTY ASSESSORS

(a) Except for persons deemed to be qualified as county assessors under G.S. 105-294, every person serving as county assessor after July 1, 1983, shall, within two years after appointment, achieve a passing grade in the four courses listed in Paragraph (b) of this Rule and then achieve a passing grade on a comprehensive examination administered by the Department of Revenue. Persons who do not meet these requirements shall not be eligible for reappointment.

(b) The following courses shall be required for county assessors:

- (1) The Fundamental of Property Tax Listing and Assessing;
- (2) International Association of Assessing Officers (IAAO) Course 101 – The Fundamental of Real Property Appraisal;
- (3) Personal Property Appraisal and Assessment – Department of Revenue; and
- (4) Tax Administration in North Carolina – Department of Revenue.

(c) The comprehensive examination for county assessors consists of multiple choice and true or false questions. The examination is designed to test the assessor's knowledge of the listing, appraisal, and assessment requirements of the Machinery Act (G.S. 105-271 et seq.), and the theories and procedures involved in the appraisal of real property and personal property. A passing grade shall be 70 percent correct.

*History Note: Authority G.S. 105-262; 105-289(d); 105-291(b); 105-294(b)c;
Eff. August 1, 1984;
Amended Eff. January 1, 2015; June 1, 2007; July 1, 2000; July 1, 1993;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 20,
2016.*

17 NCAC 10 .0505 CONTINUING EDUCATION REQUIREMENTS FOR COUNTY ASSESSORS

- (a) Any person who serves as county assessor must attend at least 30 hours of instruction in the appraisal or assessment of property during each two-year period to be eligible for reappointment. A combination of continuing education programs may fulfill this requirement. The Department of Revenue must approve all continuing education programs.
- (b) The Department of Revenue shall consider the presenter, content of the program, actual length of the program, and instruction provided in the appraisal or assessment of property when approving continuing education programs. A continuing education program for county assessors may consist of courses, workshops, seminars, conferences, or regional tax meetings.

History Note: Authority G.S. 105-262; 105-289(d); 105-291(b); 105-294(d);
Eff. August 1, 1984;
Amended Eff. September 1, 2007; July 1, 2000; July 1, 1993;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 20, 2016.

17 NCAC 10 .0506 CERTIFICATION REQUIREMENTS FOR COUNTY APPRAISERS

- (a) Every person employed in a county tax office as a real property appraiser or personal property appraiser must, within the first year of employment, attend a course of instruction in his respective area of work.
- (b) After meeting the requirement in Paragraph (a) of this Rule, county appraisers are required to achieve a passing grade on a comprehensive examination administered by the Department of Revenue. The examination will consist of 50 multiple choice or true/false questions. It is designed to test the appraiser's knowledge of the listing, appraisal and assessment requirements of the Machinery Act (G.S. 105-271 et seq.) relative to the type of property he is responsible for appraising and knowledge of the theories and procedures involved in appraising such property. A passing grade is 70 percent correct or above.
- (c) County appraisers who have fulfilled the course and examination requirements in this Rule will be issued a certificate by the Department of Revenue.

History Note: Authority G.S. 105-262; 105-289(d); 105-291(b); 105-296(b);
Eff. August 1, 1984;
Amended Eff. August 1, 1993;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 20, 2016.

17 NCAC 10 .0507 CONTINUING EDUCATION REQUIREMENTS FOR COUNTY APPRAISERS

- (a) County appraisers must attend at least one course of instruction every two years in the appraisal or assessment of the type of property they are responsible for appraising. A course of instruction, as referenced in G.S. 105-296(b), is at least 30 hours of instruction. A combination of continuing education programs may fulfill this requirement. The Department of Revenue must approve all continuing education programs.
- (b) The Department of Revenue shall consider the presenter, content of the program, actual length of the program, and instruction provided in the appraisal or assessment of property when approving continuing education programs. A continuing education program for county appraisers may consist of courses, workshops, or seminars.

History Notes: Authority G.S. 105-262; 105-289(d); 105-291(b); 105-296(b);
Eff. August 1, 1984;
Amended Eff. September 1, 2007; July 1, 1993;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 20, 2016.

17 NCAC 10 .0508 CERTIFICATION REQUIREMENTS FOR PRIVATE FIRM APPRAISERS

- (a) Every person employed by an appraisal firm whose duties include the appraisal of property for a county assessor must achieve a passing grade on a comprehensive examination administered by the Department of Revenue. The examination will consist of 50 multiple choice or true/false questions. It is designed to test the appraiser's knowledge of the theory and procedures involved in appraising property for a county assessor as provided in the Machinery Act (G.S. 105-271 et seq.). A passing grade is 70 percent correct or above.
- (b) Private firm appraisers who fulfill this requirement will be issued a certificate by the Department of Revenue.

History Note: Authority G.S. 105-262; 105-289(d); 105-291(b); 105-299;
Eff. August 1, 1984;
Amended Eff. August 1, 1993;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 20, 2016.

17 NCAC 10 .0509 APPLICATION FOR EXAMINATION

(a) Any county assessor, county appraiser or private firm appraiser who wishes to take the examination required under this Section shall apply to the Department of Revenue. An application by a county appraiser must be accompanied by a statement from the county assessor that the applicant has been designated by him as an appraiser. An application by a private firm appraiser must be accompanied by a statement from a principal officer of the firm that the applicant has been designated by the firm as an appraiser.

(b) Examinations will be conducted periodically according to the number of applications received and may be given at various locations in the state. Notice of the times and places of the examination will be mailed to all county tax offices and private appraisal firms registered with the Department of Revenue.

History Note: Authority G.S. 105-262; 105-289(d); 105-291(b);
Eff. August 1, 1984;
Amended Eff. July 1, 1993;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 20, 2016;

17 NCAC 10 .0510 APPLICATION FOR CERTIFICATION AND CONTINUING EDUCATION CREDIT

(a) County assessors, county appraisers and private firm appraisers may apply to the Department of Revenue for certification as soon as they have fulfilled the requirements of this Section. Applications shall be accompanied by proof of a passing grade in any course for which the Department of Revenue does not have a record.

(b) Applications by county assessors and county appraisers for continuing education credit shall be accompanied by proof of attendance at qualifying meetings or courses.

History Note: Authority G.S. 105-262; 105-289(d); 105-291(b);
Eff. August 1, 1984;
Amended Eff. July 1, 1993;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 20, 2016.

17 NCAC 10 .0511 INQUIRIES

History Note: Authority G.S. 105-289(d);
Eff. August 1, 1984;
Repealed Eff. July 1, 1993.