



CHAPTER 105

ARTICLE 12 - PROPERTY SUBJECT TO TAXATION

N.C.G.S. § 105-277.02.

(Effective until July 1, 2027) Certain real property held for sale classified for taxation at reduced valuation.

SOURCE	LAST AMENDMENT IN THIS TEXT	RETRIEVED	SOURCE FINGERPRINT
General Statutes of North Carolina, as published by the General Assembly	No amendment history on record	21 September 2026, 04:50 UTC	8e3ea84bb96db2d300442d7f - c73ee3d3e78c65f359aa255c - 3b87a3e5b0168048

§ 105-277.02(a)

Residential Real Property. - Residential real property held for sale by a builder is designated a special class of property under authority of Article V, Sec. 2(2) of the North Carolina Constitution. For purposes of this subsection, "residential real property" is real property that is intended to be sold and used as an individual's residence immediately or after construction of a residence, and the term excludes property that is either occupied by a tenant or used for commercial purposes such as residences shown to prospective buyers as models. Any increase in value of this classified property attributable to subdivision of the property, improvements other than buildings made on the property, or the construction of a new single-family residence, a townhouse, or a duplex on the property by the builder is excluded from taxation under this Subchapter as long as the builder continues to hold the property for sale. In no event shall this exclusion extend for more than three years from the time the improved property was first subject to being listed for taxation by the builder.

§ 105-277.02(b)

Commercial Property. - Commercial real property held for sale by a builder is designated a special class of property under authority of Article V, Sec. 2(2) of the North Carolina Constitution. For purposes of this subsection, "commercial real property" is real property that is intended to be sold and used for commercial purposes immediately or after improvement. Any increase in value of this classified property attributable to subdivision of or other improvements made to the property, by the builder, is excluded from taxation under this Subchapter as long as the builder

continues to hold the property for sale. The exclusion authorized by this subsection ends at the earlier of the following:

- (1) Five years from the time the improved property was first subject to being listed for taxation by the builder.
- (2) Issuance of a building permit.
- (3) Sale of the property.

§ 105-277.02(c) The builder must apply for any exclusion under this section as provided in G.S. 105-282.1.

§ 105-277.02(d) In appraising property classified under this section, the assessor shall specify what portion of the value is an increase attributable to subdivision or other improvement by the builder. (2015-223, s. 2; 2019-123, s. 2; 2021-113, s. 1.)

§ 105-277.02. (Effective July 1, 2027) Certain real property held for sale classified for taxation at reduced valuation.

§ 105-277.02(a) Residential Real Property. - Residential real property held for sale by a builder is designated a special class of property under authority of Article V, Sec. 2(2) of the North Carolina Constitution. For purposes of this subsection, "residential real property" is real property that is intended to be sold and used as an individual's residence immediately or after construction of a residence, and the term excludes property that is either occupied by a tenant or used for commercial purposes such as residences shown to prospective buyers as models. Any increase in value of this classified property attributable to subdivision of the property, improvements other than buildings made on the property, or the construction of a new single-family residence, a townhouse, or a duplex on the property by the builder is excluded from taxation under this Subchapter as long as the builder continues to hold the property for sale. In no event shall this exclusion extend for more than three years from the time the improved property was first subject to being listed for taxation by the builder.

§ 105-277.02(b) Commercial Property. - Commercial real property held for sale by a builder is designated a special class of property under authority of Article V, Sec. 2(2) of the North Carolina Constitution. For purposes of this subsection, "commercial real property" is real property that is intended to be sold and used for commercial purposes immediately or after improvement. Any increase in value of this classified property attributable to subdivision of or other improvements made to the property, by the

builder, is excluded from taxation under this Subchapter as long as the builder continues to hold the property for sale. The exclusion authorized by this subsection ends at the earlier of the following:

- (1) Five years from the time the improved property was first subject to being listed for taxation by the builder.
- (2) Issuance of a building permit.
- (3) Sale of the property.

§ 105-277.02(c) The builder must apply for any exclusion under this section as provided in G.S. 105-282.1.

§ 105-277.02(d) In appraising property classified under this section, the assessor shall specify what portion of the value is an increase attributable to subdivision or other improvement by the builder.

§ 105-277.02(e) Property receiving an exclusion under this section may not receive property tax relief under G.S. 105-277.03. (2015-223, s. 2; 2019-123, s. 2; 2021-113, s. 1; 2026-12, s. 2.)

END OF SECTION TEXT

APPARATUS FOLLOWS — DERIVED, NOT ENACTED

APPARATUS II
2 AUTHORITIES

Authorities referenced

Every G.S. cross-reference appearing in the text of this section, in order of first appearance. Nothing is characterized; the operative language is quoted from the section itself.

REFERENCE	APPEARS IN	OPERATIVE LANGUAGE IN THIS SECTION
G.S. 105-282.1	(c)	"under this section as provided in"
G.S. 105-277.03	(e)	"not receive property tax relief under"

APPARATUS III

Citation

FULL SECTION

N.C. Gen. Stat. § 105-277.02 (2026).

PINPOINT

N.C. Gen. Stat. § 105-277.02(a) (2026).

Pinpoint keys are set in the left margin of the text rather than line numbers: subsection designators are stable across editions and paper sizes, line numbers are not.

COLOPHON

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