



CHAPTER 105

ARTICLE 12 - PROPERTY SUBJECT TO TAXATION

N.C.G.S. § 105-277.1.

Elderly or disabled property tax homestead exclusion.

SOURCE	LAST AMENDMENT IN THIS TEXT	RETRIEVED	SOURCE FINGERPRINT
General Statutes of North Carolina, as published by the General Assembly	S.L. 2009-445, s. 22(a) — nineteenth act in the lineage	21 September 2026, 07:46 UTC	ff4c24b1641780675d2f0b60 - 488e703eb83ad82e9c08bf5f - 1e86d1566c16bb60

§ 105-277.1(a)

Exclusion. - A permanent residence owned and occupied by a qualifying owner is designated a special class of property under Article V, Sec. 2(2) of the North Carolina Constitution and is taxable in accordance with this section. The amount of the appraised value of the residence equal to the exclusion amount is excluded from taxation. The exclusion amount is the greater of twenty five thousand dollars (\$25,000) or fifty percent (50%) of the appraised value of the residence. An owner who receives an exclusion under this section may not receive other property tax relief.

A qualifying owner is an owner who meets all of the following requirements as of January 1 preceding the taxable year for which the benefit is claimed:

- (1) Is at least 65 years of age or totally and permanently disabled.
- (2) Has an income for the preceding calendar year of not more than the income eligibility limit.
- (3) Is a North Carolina resident.

§ 105-277.1(a1)

Temporary Absence. - An otherwise qualifying owner does not lose the benefit of this exclusion because of a temporary absence from his or her permanent residence for reasons of health, or because of an extended absence while confined to a rest home or nursing home, so long as the residence is unoccupied or occupied by the owner's spouse or other dependent.

§ 105-277.1(a2)

Income Eligibility Limit. - For the taxable year beginning on July 1, 2008, the income eligibility limit is twenty-five thousand dollars (\$25,000). For taxable years beginning on or after July 1, 2009, the income eligibility limit is the amount for the preceding year, adjusted by the same percentage of this amount as the percentage of any cost-of-living adjustment made to the benefits under Titles II and XVI of the Social Security Act for the preceding calendar year, rounded to the nearest one hundred dollars (\$100.00). On or before July 1 of each year, the Department of Revenue must determine the income eligibility amount to be in effect for the taxable year beginning the following July 1 and must notify the assessor of each county of the amount to be in effect for that taxable year.

§ 105-277.1(b)

Definitions. - The following definitions apply in this section:

- (1) **Code.** - The Internal Revenue Code, as defined in G.S. 105-228.90.
- (1a) **Income.** - All moneys received from every source other than gifts or inheritances received from a spouse, lineal ancestor, or lineal descendant. For married applicants residing with their spouses, the income of both spouses must be included, whether or not the property is in both names.
- (1b) **Owner.** - A person who holds legal or equitable title, whether individually, as a tenant by the entirety, a joint tenant, or a tenant in common, or as the holder of a life estate or an estate for the life of another. A manufactured home jointly owned by husband and wife is considered property held by the entirety.
- (2) Repealed by Session Laws 1993, c. 360, s. 1.
- (2a) Repealed by Session Laws 1985 (Reg. Sess., 1986), c. 982, s. 20.
- (3) **Permanent residence.** - A person's legal residence. It includes the dwelling, the dwelling site, not to exceed one acre, and related improvements. The dwelling may be a single family residence, a unit in a multi-family residential complex, or a manufactured home.
- (3a) **Property tax relief.** - The property tax homestead exclusion provided in this section, the property tax homestead circuit breaker provided in G.S. 105-277.1B, or the disabled veteran property tax homestead exclusion provided in G.S. 105-277.1C.

- (4) Totally and permanently disabled. - A person is totally and permanently disabled if the person has a physical or mental impairment that substantially precludes him or her from obtaining gainful employment and appears reasonably certain to continue without substantial improvement throughout his or her life.

§ 105-277.1(c) Application. - An application for the exclusion provided by this section should be filed during the regular listing period, but may be filed and must be accepted at any time up to and through June 1 preceding the tax year for which the exclusion is claimed. When property is owned by two or more persons other than husband and wife and one or more of them qualifies for this exclusion, each owner must apply separately for his or her proportionate share of the exclusion.

- (1) Elderly Applicants. - Persons 65 years of age or older may apply for this exclusion by entering the appropriate information on a form made available by the assessor under G.S. 105-282.1.
- (2) Disabled Applicants. - Persons who are totally and permanently disabled may apply for this exclusion by (i) entering the appropriate information on a form made available by the assessor under G.S. 105-282.1 and (ii) furnishing acceptable proof of their disability. The proof must be in the form of a certificate from a physician licensed to practice medicine in North Carolina or from a governmental agency authorized to determine qualification for disability benefits. After a disabled applicant has qualified for this classification, the applicant is not required to furnish an additional certificate unless the applicant's disability is reduced to the extent that the applicant could no longer be certified for the taxation at reduced valuation.

§ 105-277.1(d) Ownership by Spouses. - A permanent residence owned and occupied by husband and wife is entitled to the full benefit of this exclusion notwithstanding that only one of them meets the age or disability requirements of this section.

§ 105-277.1(e) Other Multiple Owners. - This subsection applies to co-owners who are not husband and wife. Each co-owner of a permanent residence must apply separately for the exclusion allowed under this section.

When one or more co-owners of a permanent residence qualify for the exclusion allowed under this section and none of the co-owners qualifies for the exclusion allowed under G.S. 105-277.1C, each co-owner is entitled to the full amount of the

exclusion allowed under this section. The exclusion allowed to one co-owner may not exceed the co-owner's proportionate share of the valuation of the property, and the amount of the exclusion allowed to all the co-owners may not exceed the exclusion allowed under this section.

When one or more co-owners of a permanent residence qualify for the exclusion allowed under this section and one or more of the co-owners qualify for the exclusion allowed under G.S. 105-277.1C, each co-owner who qualifies for the exclusion under this section is entitled to the full amount of the exclusion. The exclusion allowed to one co-owner may not exceed the co-owner's proportionate share of the valuation of the property, and the amount of the exclusion allowed to all the co-owners may not exceed the greater of the exclusion allowed under this section and the exclusion allowed under G.S. 105-277.1C.

END OF SECTION TEXT

APPARATUS FOLLOWS — DERIVED, NOT ENACTED

APPARATUS I
19 ACTS

Amendment lineage

The State prints this history as a single parenthetical at the foot of the section. It is reproduced verbatim in the colophon and unpacked below in order of enactment.



Nº	YEAR	ACT	CHARACTER
01	1971	c. 932, s. 1	ENACTED
02	1973	c. 448, s. 1	AMENDED
03	1975	c. 881, s. 2	AMENDED
04	1977	c. 666, s. 1	AMENDED
05	1979	c. 356, s. 1	AMENDED
06	1979	c. 846, s. 1	AMENDED
07	1981	c. 54, s. 1	AMENDED
08	1981	c. 1052, s. 1	AMENDED
09	1985	c. 656, ss. 44, 45	AMENDED
10	1985	1985 (Reg. Sess., 1986), c. 982, ss. 19, 20	AMENDED
11	1987	c. 45, s. 1	AMENDED

12	1993	c. 360, s. 1	AMENDED
13	1996	2nd Ex. Sess., c. 18, s. 15.1(a)	AMENDED
14	2001	S.L. 2001-308, s. 1	AMENDED
15	2007	S.L. 2007-484, s. 43.7T(a), (b)	AMENDED
16	2007	S.L. 2007-497, ss. 1.1, 2.1, 2.2	AMENDED
17	2008	S.L. 2008-35, s. 3	AMENDED
18	2008	S.L. 2008-107, s. 28.11(c)-(f), (i)	AMENDED
19	2009	S.L. 2009-445, s. 22(a)	AMENDED

APPARATUS II
5 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. 105-228.90	(b)(1)	"Internal Revenue Code, as defined in"
G.S. 105-277.1B	(b)(3a)	"tax homestead circuit breaker provided in"
G.S. 105-277.1C	(b)(3a)	"property tax homestead exclusion provided in"
G.S. 105-282.1	(c)(1)	"made available by the assessor under"
G.S. 105-282.1 and (ii)	(c)(2)	"made available by the assessor under"

APPARATUS III

Citation

FULL SECTION
N.C. Gen. Stat. § 105-277.1 (2009).

PINPOINT
N.C. Gen. Stat. § 105-277.1(a) (2009).

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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HISTORY PARENTHETICAL, AS PRINTED BY THE STATE

(1971, c. 932, s. 1; 1973, c. 448, s. 1; 1975, c. 881, s. 2; 1977, c. 666, s. 1; 1979, c. 356, s. 1; c. 846, s. 1; 1981, c. 54, s. 1; c. 1052, s. 1; 1985, c. 656, ss. 44, 45; 1985 (Reg. Sess., 1986), c. 982, ss. 19, 20; 1987, c. 45, s. 1; 1993, c. 360, s. 1; 1996, 2nd Ex. Sess., c. 18, s. 15.1(a); 2001-308, s. 1; 2007-484, s. 43.7T(a), (b); 2007-497, ss. 1.1, 2.1, 2.2; 2008-35, s. 3; 2008-107, s. 28.11(c)-(f), (i); 2009-445, s. 22(a).)

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