CHAPTER 105

ARTICLE 12 - PROPERTY SUBJECT TO TAXATION

N.C.G.S. § 105-278.6A.

Qualified retirement facility.

SOURCE	LAST AMENDMENT IN THIS TEXT	RETRIEVED	SOURCE FINGERPRINT
General Statutes of North Carolina, as published by the General Assembly	S.L. 2011-284, s. 70 — fifty-seventh act in the lineage	21 September 2026, 03:45 UTC	7d72f0c39e41ee3c0b633658 - 4b0aeed3bb19475fae61dbbf - 6632a06645df0393

§ 105-278.6A(a) Classification. - Buildings, the land they actually occupy, additional adjacent land reasonably necessary for the convenient use of the buildings, and personal property owned by a qualified retirement facility and used in the operation of that facility are designated a special class of property under Section 2(2) of Article V of the North Carolina Constitution and are excluded from taxation to the extent provided in this section.

§ 105-278.6A(b) Definitions. - The following definitions apply in section:

(1) Charity care. - The unreimbursed costs to the facility of providing health care, housing, or other services to a resident who is uninsured, underinsured, or otherwise unable to pay for all or part of the services rendered.

(2) Community benefits. - The unreimbursed costs to the facility of providing the following:

a.Services, including health, recreation, community research, and education activities provided to the community at large, including the elderly.

b.Charitable donations.

c.Donated volunteer services.

d.Donations and voluntary payments to government agencies.

(3) Financial reporting period. - The calendar year or tax year ending prior to the date the retirement facility applies for an exclusion under this section.

(4) Resident revenue. - Annual revenue paid by a resident for goods and services and one year's share of the initial resident fee amortized in accordance with generally accepted accounting principles.

(5) Retirement facility. - A community that meets all of the following conditions:

a.It is licensed under Article 64 of Chapter 58 of the General Statutes.

b.It is designed for elderly residents.

c.It includes independent living units for elderly residents.

d.It includes a skilled nursing facility or an adult care facility.

(6) Unreimbursed costs. - The costs a facility incurs for providing charity care or community benefits after subtracting payment or reimbursement received from any source for the care or benefits. Unreimbursed costs include costs paid from funds generated by a program described in subdivision (c)(5) of this section.

§ 105-278.6A(c) Total Exclusion. - A retirement facility qualifies for total exclusion under this section if it meets all of the following conditions:

(1) It is exempt from tax under Article 4 of this Chapter and private shareholders do not benefit from its operations.

(2) All of its revenues, less operating and capital expenses, are applied to providing uncompensated goods and services to the elderly and to the local community, or are applied to an endowment or a reserve for these purposes.

(3) Its charter provides that in the event of dissolution, its assets will revert or be conveyed to an entity that is organized exclusively for charitable, educational, scientific, or religious purposes, and is an exempt organization under section 501(c)(3) of the Code.

(4) Repealed by Session Laws 2001-17, s. 1, effective July 1, 2001.

(5) It has an active program to generate funds through one or more sources, such as gifts, grants, trusts, devises, endowment, or an annual giving program, to assist the retirement facility in serving persons who might not be able to reside there without financial assistance or subsidy.

(6) It meets at least one of the following conditions:

a.The facility serves all residents without regard to the residents' ability to pay.

b.At least five percent (5%) of the facility's resident revenue for the financial reporting period is provided in charity care to its residents, in community benefits, or in both.

§ 105-278.6A(d)

Partial Exclusion. - A retirement facility qualifies for a partial exclusion under this subsection if it meets conditions under subdivisions (c)(1) through (c)(5) of this section and at least one percent (1%) of the facility's resident revenue for the financial reporting period is provided in charity care to its residents, in community benefits, or in both. The percentage of the retirement facility's assessed value that is excluded from taxation is the applicable percentage provided in the following table, based on the minimum percentage of the facility's resident revenue that it provides in charity care to its residents, in community benefits, or in both:

Minimum Percentage of

Partial ExclusionResident Revenue

80%4%

60%3%

40%2%

20%1%

§ 105-278.6A(e)

Application for Exclusion. - The application requirements of G.S. 105-282.1 apply to this section.

END OF SECTION TEXT

APPARATUS FOLLOWS — DERIVED, NOT ENACTED

APPARATUS I
57 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.

TICK HEIGHT = ACTS IN THAT YEAR DASHED = RECODIFICATION, NOT AMENDMENT

№	YEAR	ACT	CHARACTER
01	1939	c. 310, s. 303	ENACTED
02	1961	c. 1169, s. 8	AMENDED
03	1967	c. 1185	AMENDED

04	1971	c. 806, s. 1	AMENDED
05	1971	c. 1121, s. 3	AMENDED
06	1973	cc. 290, 451	AMENDED
07	1973	c. 476, s. 128	AMENDED
08	1973	c. 484	AMENDED
09	1973	c. 695, s. 1	AMENDED
10	1973	c. 790, s. 1	AMENDED
11	1973	cc. 904, 962, 1028, 1034, 1077	AMENDED
12	1973	c. 1262, s. 23	AMENDED
13	1973	c. 1264, s. 1	AMENDED
14	1975	cc. 566, 755	AMENDED
15	1975	c. 764, s. 6	AMENDED
16	1977	c. 771, s. 4	AMENDED
17	1977	c. 782, s. 2	AMENDED
18	1977	c. 1001, ss. 1, 2	AMENDED
19	1977	2nd Sess., c. 1200, s. 4	AMENDED
20	1979	c. 200, s. 1	AMENDED
21	1979	2nd Sess., c. 1092	AMENDED
22	1981	c. 86, s. 1	AMENDED
23	1981	1981 (Reg. Sess., 1982), c. 1244, ss. 1, 2	AMENDED
24	1983	c. 643, ss. 1, 2	AMENDED
25	1983	c. 693	AMENDED
26	1983	1983 (Reg. Sess., 1984), c. 1060	AMENDED
27	1985	c. 510, s. 1	AMENDED
28	1985	c. 656, s. 37	AMENDED
29	1985	1985 (Reg. Sess., 1986), c. 982, s. 18	AMENDED
30	1987	c. 356	AMENDED
31	1987	c. 622, s. 2	AMENDED
32	1987	c. 747, s. 8	AMENDED
33	1987	c. 777, s. 6	AMENDED

34	1987	c. 813, ss. 5, 6, 22	AMENDED
35	1987	c. 850, s. 17	AMENDED
36	1987	1987 (Reg. Sess., 1988), c. 1041, s. 1.1	AMENDED
37	1989	c. 148, s. 4	AMENDED
38	1989	c. 168, s. 6	AMENDED
39	1989	c. 705	AMENDED
40	1989	c. 723, s. 1	AMENDED
41	1989	c. 727, ss. 28, 29	AMENDED
42	1991	c. 717, s. 1	AMENDED
43	1991	1991 (Reg. Sess., 1992), c. 975, s. 2	AMENDED
44	1993	c. 459, s. 2	AMENDED
45	1993	1993 (Reg. Sess., 1994), c. 745, s. 39	AMENDED
46	1995	c. 41, s. 2	AMENDED
47	1995	c. 509, s. 51	AMENDED
48	1995	1995 (Reg. Sess., 1996), c. 646, s. 12	AMENDED
49	1997	S.L. 1997-23, ss. 1, 3, 9	AMENDED
50	1997	S.L. 1997-443, s. 11A.119(a)	AMENDED
51	1997	S.L. 1997-456, s. 27	AMENDED
52	1998	S.L. 1998-55, ss. 10, 18	AMENDED
53	1998	S.L. 1998-212, s. 29A.18(a)	AMENDED
54	1999	S.L. 1999-191, s. 1	AMENDED
55	2000	S.L. 2000-20, s. 2	AMENDED
56	2001	S.L. 2001-17, s. 1	AMENDED
57	2011	S.L. 2011-284, s. 70	AMENDED

APPARATUS II
1 AUTHORITY

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	(e)	*"Exclusion. - The application requirements of"*

APPARATUS III

Citation

FULL SECTION

N.C. Gen. Stat. § 105-278.6A (2011).

PINPOINT

N.C. Gen. Stat. § 105-278.6A(a) (2011).

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

(1939, c. 310, s. 303; 1961, c. 1169, s. 8; 1967, c. 1185; 1971, c. 806, s. 1; c. 1121, s. 3; 1973, cc. 290, 451; c. 476, s. 128; c. 484; c. 695, s. 1; c. 790, s. 1; cc. 904, 962, 1028, 1034, 1077; c. 1262, s. 23; c. 1264, s. 1; 1975, cc. 566, 755; c. 764, s. 6; 1977, c. 771, s. 4; c. 782, s. 2; c. 1001, ss. 1, 2; 1977, 2nd Sess., c. 1200, s. 4; 1979, c. 200, s. 1; 1979, 2nd Sess., c. 1092; 1981, c. 86, s. 1; 1981 (Reg. Sess., 1982), c. 1244, ss. 1, 2; 1983, c. 643, ss. 1, 2; c. 693; 1983 (Reg. Sess., 1984), c. 1060; 1985, c. 510, s. 1; c. 656, s. 37; 1985 (Reg. Sess., 1986), c. 982, s. 18; 1987, c. 356; c. 622, s. 2; c. 747, s. 8; c. 777, s. 6; c. 813, ss. 5, 6, 22; c. 850, s. 17; 1987 (Reg. Sess., 1988), c. 1041, s. 1.1; 1989, c. 148, s. 4; c. 168, s. 6; c. 705; c. 723, s. 1; c. 727, ss. 28, 29; 1991, c. 717, s. 1; 1991 (Reg. Sess., 1992), c. 975, s. 2; 1993, c. 459, s. 2; 1993 (Reg. Sess., 1994), c. 745, s. 39; 1995, c. 41, s. 2; c. 509, s. 51; 1995 (Reg. Sess., 1996), c. 646, s. 12; 1997-23, ss. 1, 3, 9; 1997-443, s. 11A.119(a); 1997-456, s. 27; 1998-55, ss. 10, 18; 1998-212, s. 29A.18(a); 1999-191, s. 1; 2000-20, s. 2; 2001-17, s. 1; 2011-284, s. 70.)

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