



# HOUSE BILL 255: Cornelius Annexation.

2017-2018 General Assembly

<b>Committee:</b>	House State and Local Government I. If favorable, re-refer to Finance	<b>Date:</b>	March 28, 2017
<b>Introduced by:</b>	Rep. Bradford	<b>Prepared by:</b>	Billy R. Godwin Staff Attorney
<b>Analysis of:</b>	PCS to First Edition H255-CSBDxr-10		

**OVERVIEW:** *House Bill 255 (proposed committee substitute) would add certain properties to the corporate limits of the Town of Cornelius and would become effective June 30, 2017.*

*The Proposed Committee Substitute (PCS) makes a technical change to the effective date clarifying that the property being annexed would be subject to municipal taxes for taxes imposed for taxable years beginning on or after July 1, 2017.*

**[As introduced, this bill was identical to S6, as introduced by Sen. Tarte, which passed its 3rd Reading in the Senate on March 28, 2017.]**

**CURRENT LAW:** Annexation is a method by which municipalities alter their boundaries. The municipality must follow the statutorily prescribed steps in order to add an area into its boundaries. The municipality must provide, or contract to provide, basic services to the area. These services include police protection, fire protection, solid waste collection and the extension of water and sewer lines to the area.

North Carolina law sets forth four basic ways in which a municipality may annex an area.

- Voluntary Annexation. – The owners of all real property in an area contiguous to the municipality desiring to be annexed sign a petition requesting annexation.
- Voluntary Satellite Annexation. – The owners of all real property in the area desiring to be annexed sign a petition requesting annexation, if it otherwise meets the statutory requirements.
- Municipal-Initiated Annexation subject to a referendum. – The municipality initiates an annexation proceeding, pursuant to statutory requirements.
- Legislative Act. – The General Assembly has the authority to extend the boundaries of any municipality.

**BILL ANALYSIS:** The PCS to House Bill 255 would annex the described property into the corporate limits of the Town of Cornelius.

**EFFECTIVE DATE:** The act would become effective June 30, 2017. The property annexed as of January 1, 2017, would be subject to municipal taxes for taxes imposed for taxable years beginning on or after July 1, 2017.

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