



2023-2024 General Assembly

# HOUSE BILL 259: 2023 Appropriations Act, Sec. 42.23: Property Tax Exclusion for Property Located at a Legacy Airport

**Committee:**  
**Introduced by:**  
**Analysis of:** Sec. 42.23 of S.L. 2023-134

**Date:** November 29, 2023  
**Prepared by:** Trina Griffin  
Staff Attorney

**OVERVIEW:** Section 42.23 of S.L. 2023-134 creates a property tax exclusion for real and personal property located at a legacy airport.

*This section becomes effective for taxable years beginning on or after July 1, 2024.*

**BILL ANALYSIS:** This section excludes 50% of the appraised value of any real and personal property located at a qualifying airport that is customarily used for aviation purposes or commercial activities typically located at and associated with an airport. Aircraft must have situs at the qualifying airport to receive the exclusion. A qualifying airport is an airport that meets the following criteria:

- Is designated as a legacy airport<sup>1</sup> by the North Carolina Department of Transportation.
- Is a general aviation airport.<sup>2</sup>
- Is located within the corporate limits of a municipality.
- Had an economic output of at least \$850 million in the Division of Aviation of the North Carolina Department of Transportation’s biennial economic impact study dated January 2023.

Currently, the only airport that qualifies under the above criteria is Smith Reynolds Airport in Winston-Salem.

**EFFECTIVE DATE:** This section becomes effective for taxable years beginning on or after July 1, 2024.

<sup>1</sup> A legacy airport is any airport located in North Carolina that meets the following requirements and is designated as such by the North Carolina Department of Transportation:

1. Is owned and operated by a county or airport authority.
2. Was established as an airport or military facility before 1945.
3. Contains a terminal building or runway that was built before 1945.
4. Has an actively used runway that is at least 6,500 feet long.
5. Has contributed significantly to the development of aviation in this State.

<sup>2</sup> A general aviation airport is a public-use airport that is located in a State and that, as determined by the United States Secretary of Transportation, meets either of the following criteria:

1. Does not have scheduled service.
2. Has scheduled service with less than 2,500 passenger boardings each year.

Jeffrey Hudson  
Director



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Legislative Analysis  
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