



SENATE BILL 474: Adjust Counties/Reappraisal Moratorium.

2025-2026 General Assembly

Committee:		Date:	June 30, 2026
Introduced by:	Sens. Berger, Moffitt, Jarvis	Prepared by:	Nicholas Giddings Staff Attorney
Analysis of:	Conference Committee Substitute (S474-CCSBAXr-12)		

OVERVIEW: Senate Bill 474 would adjust the counties that would be subject to the property tax reappraisal moratorium under S.L. 2026-8.

CURRENT LAW/BILL ANALYSIS:

S.L. 2026-8 requires any county that (i) had a population of 15,000 or greater according to the latest federal decennial census and (ii) conducted a general reappraisal for 2026 and adopted a new schedule of values effective January 1, 2026,¹ to postpone the implementation of its 2026 reappraisal. Instead, the schedule of values from the previous reappraisal must be used for the tax year beginning July 1, 2026. The 2026 reappraisal would instead be implemented in 2027. Therefore, the schedule of values that would have been effective January 1, 2026, will instead be effective January 1, 2027. Further, the postponed reappraisal will be deemed to have been conducted as of January 1, 2027, for purposes of determining the county's next reappraisal under the octennial cycle required under G.S. 105-286. A taxpayer in a county subject to the moratorium under S.L. 2026-8 would be authorized to appeal its valuation in 2027 as if the change in valuation occurred in that year.

Section 1 of Senate Bill 474 would make changes to Section 1 of S.L. 2026-8, by moving certain provisions of that law to a more appropriate place and creating the following exemptions from the property tax reappraisal moratorium:

- **General exemption** – A county would be exempt from the moratorium if it meets any of the following criteria:
 - Has a population of less than 12,000 according to the latest federal decennial census.
 - Chowan and Pamlico Counties would now be subject to the property tax moratorium under this change.
 - Both counties qualified for exemption under S.L. 2026-8 due to the 15,000-population threshold; however, both have populations greater than 12,000, which would be the new threshold under this act.
 - Clay County would continue to be exempt.
 - Is in the third year following its notice of mandatory reappraisal advancement under G.S. 105-286(a)(2)a. with a population of less than 150,000 according to the latest federal decennial census.

¹ Anson, Bladen, Buncombe, Davidson, Guilford, Harnett, Onslow, Pender, and Scotland Counties are subject to the property tax reappraisal moratorium under S.L. 2026-8. Chowan, Clay, and Pamlico Counties also conducted a general reappraisal effective January 1, 2026; however, those counties had a population of less than 15,000 as of the most recent federal decennial census and are exempt from the moratorium.

Kara McCraw
Director



Legislative Analysis
Division
919-733-2578

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- Harnett County would be exempt under this change.
- Has levied a property tax rate, exclusive of any special tax area, in excess of 95 cents per \$100 of property value at any point over the previous 4 taxable years.
 - Scotland County would be exempt under this change.
- Revenue-neutral property tax rate exemption – A county that meets all of the following criteria would be exempt from the moratorium:
 - Is in a Helene affected area, as defined in Section 1.4 of S.L. 2025-2.
 - Is not otherwise exempt under a general exemption, above.
 - For the taxable year beginning July 1, 2026, adopts a property tax rate at or below the rate equal to its revenue-neutral property tax rate rounded up to the next whole cent.
 - Buncombe County would be exempt under this change if it adopts a property tax rate meeting the criteria.
 - Clay County is also a Helene affected area; however, it is exempt under the general exemption applicable to a county with a population of less than 12,000, so it would not qualify for this exemption.

Section 2 would provide that if the passage of this act affects a county that has already passed its budget ordinance, the county would be subject to the following regarding the amending of its budget to effectuate the changes in Section 1 of this act:

- A county would be required to amend its budget if it (i) was subject to the moratorium under S.L. 2026-8 but now qualifies for a general exemption under this act or (ii) was exempt under S.L. 2026-8 but is now subject to the moratorium under this act.
 - Chowan, Harnett, Pamlico, and Scotland Counties would be required to amend their budgets because all are affected by the changes in Section 1 of this act.
 - Clay County would not be required to amend its budget. As it was exempt under the provisions of S.L. 2026-8 and continues to be exempt under this act, it is not affected by the changes made under Section 1 of this act.
- A county that otherwise qualifies under the revenue-neutral property tax rate exemption may amend its budget to adopt a property tax rate at or below the rate equal to its revenue-neutral property tax rate rounded up to the next whole cent and be exempt from the moratorium.
 - Buncombe County would be authorized, but not required, to amend its budget to be exempt from the moratorium under this section, provided it adopts an appropriate property tax rate.

EFFECTIVE DATE: The act would be effective when it becomes law.