SENATE BILL 889:
Property Tax Reappraisal Moratorium.

2025-2026 General Assembly

Analysis of:	S.L. 2026-8	**Date:**	August 20, 2026
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S.L. 2026-8 (Senate Bill 889), later modified by S.L. 2026-47 (Senate Bill 474), imposes a property tax reappraisal moratorium on certain counties meeting specified criteria, which will delay by one year the implementation of the general reappraisal conducted for 2026 by those counties. Specifically, this act does the following:

Section 1 initially required 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, to postpone the implementation of its 2026 reappraisal. Instead, the schedule of values from the previous reappraisal must be used for the taxable year beginning July 1, 2026. The 2026 reappraisal will instead be implemented and deemed to have been conducted in 2027. Section 1 was initially effective June 19, 2026, and applied to nine counties that conducted reappraisals effective January 1, 2026: Anson, Bladen, Buncombe, Davidson, Guilford, Harnett, Onslow, Pender, and Scotland. Chowan, Clay, and Pamlico Counties also conducted 2026 reappraisals, but each fell below the 15,000-population limit.

However, Section 1 was modified by S.L. 2026-47 to adjust the counties subject to the moratorium. That act, effective July 7, 2026, rewrote Section 1 to instead provide that any county that conducted a general reappraisal for 2026 must postpone that reappraisal until 2027, unless any of the following exemptions apply:

- <u>*General Exemption*</u> – The moratorium does not apply to a county meeting any of the following criteria:
  - Has a population of less than 12,000 according to the latest federal decennial census.
    - Clay County is exempt under this metric; however, Chowan and Pamlico Counties no longer qualify for exemption.
  - Is in the third year following its notice of mandatory reappraisal advancement with a population of less than 150,000 according to the latest federal decennial census.
    - Harnett County is exempt under this metric.
  - Has levied a property tax rate, exclusive of any special tax area, in excess of $0.95 per $100 of property value at any point over the previous four taxable years.
    - Scotland County is exempt under this metric.

- <u>*Revenue-neutral property tax rate exemption*</u> – The moratorium does not apply to a county that meets all of the following criteria:
  - 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 could have qualified for exemption under these criteria; however, it is subject to the moratorium because it did not adopt a property tax rate at or below the rounded revenue-neutral rate.

Therefore, after the passage of S.L. 2026-47, nine counties are subject to the property tax reappraisal moratorium: Anson, Bladen, Buncombe, Chowan, Davidson, Guilford, Onslow, Pamlico, and Pender.

Section 2 of S.L. 2026-8 requires an individual selected to serve as a county assessor to pay a $20 fee in order to take the comprehensive examination required to maintain their eligibility to serve as a county assessor. This section is effective October 1, 2026, and applies to examinations conducted on or after that date.