

LAW
MACHINERY ACT OF N.C.
N.C. GENERAL STATUTE
105 - 277.1B

YOUR PERMANENT RESIDENCE INCLUDES YOUR DWELLING PLUS RELATED IMPROVEMENTS AND UP TO 1 ACRE OF LAND. A DWELLING CAN BE A SINGLE FAMILY HOUSE, A CONDO OR A MANUFACTURED HOME.

UNTIL A DISQUALIFICATION EVENT OCCURS, THE DEFERRED TAXES WILL NOT BECOME DUE. SINCE INCOME CAN VARY FROM YEAR TO YEAR IT IS POSSIBLE THAT YOU MAY QUALIFY ONE YEAR, BUT NOT THE NEXT, AND THEN REQUALIFY IN A SUBSEQUENT YEAR. HOMESTEAD CIRCUIT BREAKER REQUIRES A NEW APPLICATION TO BE SUBMITTED EVERY YEAR.

THE ANNUAL APPLICATION FOR THE CIRCUIT BREAKER MAY BE TIMELY FILED UP TO AND THROUGH JUNE 1.

WHEN PROPERTY IS OWNED BY MULTIPLE OWNERS (OTHER THAN HUSBAND & WIFE) EVERY OWNER MUST MEET THE QUALIFICATIONS AND ELECT TO DEFER THE TAXES UNDER THE CIRCUIT BREAKER.

PROOF OF DISABILITY MUST BE IN THE FORM OF A CERTIFICATE FROM A PHYSICIAN LICENSED TO PRACTICE MEDICINE IN NORTH CAROLINA OR FROM A GOVERNMENT AGENCY AUTHORIZED TO DETERMINE DISABILITY.

A DISABILITY LETTER FROM THE SOCIAL SECURITY ADMINISTRATION CANNOT BE ACCEPTED AS PROOF OF DISABILITY, UNLESS THE LETTER MEETS THE STATUTORY REQUIREMENTS.

SOCIAL SECURITY NUMBER INFORMATION IS MANDATORY AND WILL BE USED TO ESTABLISH THE IDENTIFICATION OF THE APPLICANT. (42 U.S.C. Section 405(c)(2)(C)(i))

AN OWNER WHO RECEIVES THIS EXCLUSION **MAY NOT** RECEIVE OTHER PROPERTY TAX RELIEF. {GS 105-277.1(a)}

PERSON



COUNTY

MAILING ADDRESS:

PERSON COUNTY TAX ASSESSOR
PO BOX 1116
ROXBORO, NC 27573

PHYSICAL ADDRESS:

PERSON COUNTY TAX OFFICE
13 ABBITT ST
ROXBORO, NC 27573

TELEPHONE NUMBERS:

336-597-1721 ext 2506

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336-322-8621

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2024

**CIRCUIT
BREAKER**

**TAX DEFERMENT
PROGRAM**



PERSON COUNTY



**PROPERTY TAX RELIEF FOR
ELDERLY
OR
PERMANENTLY DISABLED
PERSONS**

◆ THE DEFERRED TAXES ARE A LIEN ON YOUR PROPERTY.

- ◆ THE HOMESTEAD CIRCUIT BREAKER IS THE DEFERRAL OF PROPERTY TAXES THAT EXCEED A TAX LIMITATION. THIS TAX DEFERMENT PROGRAM IS FOR NC RESIDENTS WHO MEET ALL OF THE QUALIFICATIONS FOR THE HOMESTEAD EXCLUSION PLUS THEY HAVE LIVED IN AND OWNED THEIR CURRENT RESIDENCE FOR **AT LEAST FIVE YEARS.**
- ◆ INTEREST ACCRUES ON DEFERRED TAXES AS IF THEY HAD BEEN PAYABLE ON THE DATES ON WHICH THEY WOULD HAVE ORIGINALLY BECOME DUE.
- ◆ AN ANNUAL APPLICATION IS REQUIRED.
- ◆ UPON A DISQUALIFYING EVENT, THE LAST THREE YEARS OF DEFERRED TAXES PLUS INTEREST BECOME DUE AND PAYABLE.

OWNERSHIP REQUIREMENTS

- MUST BE A NORTH CAROLINA RESIDENT
AND
- MUST BE AT LEAST 65 YEARS OF AGE OR TOTALLY AND PERMANENTLY DISABLED ON OR BEFORE JANUARY 1 OF CURRENT YEAR
AND
- MUST HAVE OWNED RESIDENCE FOR **FIVE (5)** CONSECUTIVE YEARS AND HAS OCCUPIED THE PROPERTY FOR AT LEAST FIVE (5) YEARS AS OF JANUARY 1 OF CURRENT YEAR. [2022] G.S. 105-277.1B
AND
- 2024 APPLICANTS:
2023 INCOME CAN'T EXCEED \$55,050 FOR APPLICANT AND SPOUSE, IF MARRIED. IF OWNED BY MULTIPLE OWNERS, ALL OWNERS MUST MEET ALL REQUIREMENTS.

2024 TAX LIMITATION

2023 INCOME = \$0-\$36,700	TAXES ARE LIMITED TO 4% OF INCOME
2023 INCOME = \$36,701-\$55,050	TAXES ARE LIMITED TO 5% OF INCOME
2023 INCOME = OVER \$55,051	DOES NOT QUALIFY

INCOME EXAMPLES:

WAGES - SOCIAL SECURITY - DISABILITY - SSI - VA BENEFITS - PENSIONS - ANNUITIES - INTEREST - DIVIDENDS - IRA DISTRIBUTION - 401K & 457 DISTRIBUTION - WORKER'S COMPENSATION - ALIMONY - A.F.D.C - FOSTER CARE PAYMENTS - UNEMPLOYMENT - RENTAL, BUSINESS, FARM & GAMBLING INCOME - RAILROAD RETIREMENT - CAPITAL GAIN ETC

ESTIMATED DEFERRED TAX WORKSHEET

[A] 2024 TAX ON RESIDENCE (ESTIMATED) (DWELLING PLUS RELATED IMPROVEMENTS & UP TO 1 ACRE OF LAND)	[A] \$
[B] TAX LIMITATION: 2023 INCOME \$0 - \$36,700 X 4% = OR 2023 INCOME: \$36,701 - \$55,050 X 5% =	[B]-\$
[C] ESTIMATED DEFERRED TAX SUBTRACT BOX [B] FROM BOX [A]	[C] \$

IF [A] IS LESS THAN [B], THEN YOU DO NOT QUALIFY FOR THE CIRCUIT BREAKER.

IF YOUR 2023 INCOME WAS \$36,700 OR LESS, YOU SHOULD REVIEW THE ELDERLY OR DISABLED EXCLUSION TO DETERMINE THE BEST OPTION.

TEMPORARY ABSENCE

A QUALIFIED OWNER DOES NOT LOSE THE BENEFIT OF THIS EXCLUSION BECAUSE OF A TEMPORARY ABSENCE FROM THEIR PERMANENT RESIDENCE FOR REASONS OF HEALTH, OR BECAUSE OF AN EXTENDED ABSENCE WHILE CONFINED TO A REST HOME OR NURSING HOME, SO LONG AS THE RESIDENCE IS UNOCCUPIED OR OCCUPIED BY THE OWNER'S SPOUSE OR OTHER DEPENDENT.



DISQUALIFYING EVENTS

- ◆ DEATH OF OWNER [exception: property passes to co-owner or spouse]
- ◆ TRANSFER OF PROPERTY [exception: transferred to co-owner or spouse (divorce)]
- ◆ OWNER CEASES TO USE THE PROPERTY AS A PERMANENT RESIDENCE

UPON A DISQUALIFYING EVENT, THE LAST THREE YEARS OF DEFERRED TAXES PLUS INTEREST, BECOME DUE AND PAYABLE.