

## **MEMORANDUM**

TO: Board of County Commissioners

FROM: Kenneth Joyner, Assessor

DATE: October 1, 2018

SUBJECT: Extensions for Electronic Listings of Personal Property

**Request:** The Assessor respectfully requests that the Board at their October 16, 2018 Meeting, reduce the extension period for electronic listings of personal property from May 15<sup>th</sup> to April 15<sup>th</sup> to conform with extensions for non-electronic listings.

The deadline for submission to the October 16<sup>th</sup> Agenda is October 1, 2018.

**Facts:** Currently there are three ways to file a Request for Extension and there are two deadlines tied to the Extension Request. This has created confusion amongst taxpayers and has led to the assessment of Late Listing Penalties.

*The three ways to file a Request for Extension are:*

- Written Request MAILED to the CAO
- Written Request submitted via EMAIL
- ONLINE – via Bizlink (Online Property Tax Listing)

*The two deadlines tied to the above methods of Requesting an Extension are:*

- April 15<sup>th</sup> – if a taxpayer files a Written Request via MAIL or EMAIL
- May 15<sup>th</sup> – if a taxpayer files an ONLINE Request

*The Personal Property Division processed 66,754 Business Personal Property Listings in 2018:*

- 96% (63,848) of the Listings were filed on or before the April 15<sup>th</sup> deadline
- 4% (2,906) of the Listings were filed between April 16<sup>th</sup> – May 15<sup>th</sup>

*Late Listing Penalties:*

- Are imposed on taxpayers who fail to file their listings within the required deadlines
- In 2018 the CAO received 42 Appeals to the Board of Equalization and Review (“BER”) pertaining to Late Listing Penalties, which totaled \$4,257.
- The Penalties ranged from \$1.09 to \$2,240. These Penalties were generated due to Late Listings because of confusion of the two deadlines.
- In each of these 42 cases, the Taxpayer filed its Request for Extension via MAIL or EMAIL. These requests resulted in extensions of the Due Date to April 15<sup>th</sup>. However, these Taxpayers

then submitted their Business Personal Property Listing electronically ONLINE, assuming they had until May 15<sup>th</sup> to submit. Thus, each was assessed a Late Listing Penalty.

- Most of these Late Listing Penalties were removed by the BER based on the CAO's Recommendation.
- Having Two Extension deadlines caused confusion and resulted in Late Listing Fees

**Proposal:** That the Board at their October 16<sup>th</sup> Meeting reduce the extension period for electronic Listings of Personal Property from May 15<sup>th</sup> to April 15<sup>th</sup> to conform with extensions for non-electronic listings.

**Benefits:** The CAO will be able to streamline the Request for Extension process, alleviating any confusion that currently exists.

The CAO will be able to eliminate any additional BER Hearings that were the result of the Late Listing Penalties.

The CAO staff will be able to work more efficiently and effectively in meeting their internal and State deadlines.

**Statutory Authority:** NCGS 105-307(a) requires that Personal Property be listed annually during the listing period from January 1 through January 31.

NCGS 105-307(c) provides that individual extensions may be granted through April 15 if filing manually and through June 1 if filing electronically, provided the request for extension is made prior to the January 31 deadline.

By Resolutions dated December 21, 2004 (copies attached), the Board delegated authority to the Assessor to grant extensions of time. The Resolutions provided that electronic listings could be extended up to May 15<sup>th</sup>, and that non-electronic extensions could be extended up to April 15<sup>th</sup>.

Cc: Ms. Dena R. Diorio, County Manager  
Mr. Mark L. Foster, Assistant County Manager  
Ms. Leslie Johnson, Assistant County Manager  
Mr. Derrick Ramos, Assistant County Manager/Chief of Staff  
Mr. Anthony Trotman, Assistant County Manager  
Ms. Janice Paige, Clerk to the Board