



# It's Time for a Fact Check on the NC Home Tax

**THERE HAS BEEN MUCH DISCUSSION RECENTLY ABOUT A PROPOSED NC HOME TAX, AND A LOT OF INFORMATION HAS BEEN SHARED. AS THE GENERAL ASSEMBLY WORKS TO DEVELOP A STATE BUDGET, IT'S MORE IMPORTANT THAN EVER TO KNOW THE FACTS.**

**FACT:** The NC League of Municipalities, the NC Association of County Commissioners and other governmental entities are using your tax dollars to advocate for higher taxes on our state's working families, young couples and senior citizens. According to reports filed with the NC Secretary of State's office, these groups have spent hundreds of thousands of dollars this year – your tax dollars, no less – supporting a real estate transfer tax to be paid by North Carolina's homeowners.<sup>1</sup>

**FACT:** The Land for Tomorrow reports on its website more than \$1.5 million in funding, a portion of which has been used to advocate for taxes on the equity in your home. Meanwhile, the Partnership for North Carolina's Future, representing groups that will benefit the most through additional government spending, reports \$400,560 on advertising spent largely promoting a home tax.<sup>2</sup>

**FACT:** The NC Association of County Commissioners is advocating for higher taxes on our state's homeowners when many counties are granting property tax exemptions as a part of economic development incentives. For example, Durham County has given more than \$5 million in economic incentives and tax breaks to deep-pocketed corporations to attract growth.<sup>3</sup> When new families arrive as a result, counties seem surprised and are unprepared, and thus look to current residents to pay for needed schools and infrastructure.

**FACT:** In a statewide survey conducted by The Kitchens Group this past spring, more than 80% of most likely voters in North Carolina said they were opposed to a real estate transfer tax. When it comes to taxes, most families have hit the limit. With a \$1.3 billion revenue surplus reported by the Legislature's Fiscal Research this year, there should not be a question of available revenue.<sup>4</sup>

## **TAXING THE EQUITY IN YOUR HOME IS A BAD IDEA**

**Despite all of the facts, a few legislators still believe that forcing our state's homeowners to pay a tax on real estate sales is necessary. Your voice needs to be heard in the General Assembly, because any politician who raises home taxes needs to know they are hurting North Carolina's families.**

**To support the Stop the NC Home Tax campaign,  
visit [www.itsabadidea.org](http://www.itsabadidea.org)**

1 North Carolina Secretary of State's Office, Lobbying Reporting Division, Lobbying Expenses reports submitted by the NC Association of County Commissioners, NC League of Municipalities, NC School Boards Association, NC Association of School Administrators, NC Rural Economic Development Center and the NC Metropolitan Coalition for the first and second quarters of 2007.

2 Land for Tomorrow official website, [www.landfortomorrow.org](http://www.landfortomorrow.org); Filings by The Partnership for North Carolina's Future, NC Secretary of State's office, first and second quarter reports on lobbying expenses and solicitor expense reports.

3 North Carolina Institute for Constitutional Law, "The Incentives Game; North Carolina Local Economic Development Incentives", June 2007, [www.ncicl.org](http://www.ncicl.org)

4 The Kitchens Group Home Tax White Paper Report, May 1, 2007; The News & Observer, June 22, 2007, "Budget deal unlikely despite new revenues", Dan Kane, Thomas Goldsmith, Rob Christensen and Barbara Barrett, staff writers.