

REQUEST FOR BOARD ACTION

HENDERSON COUNTY

BOARD OF COMMISSIONERS

MEETING DATE: March 3, 2025

SUBJECT: Request for Refund of Taxes

PRESENTER: Charles Russell Burrell

ATTACHMENT(S): Letter from Towne Place Homeowner Association, Inc.

SUMMARY OF REQUEST:

Towne Place Homeowner Association, Inc., seeks the refund of ad valorem real property taxes paid by it for the years 2019, 2020, 2021, 2022, and 2023. The total of taxes, interest and penalties sought refunded for these years is \$440.29.

The taxes were paid in full (including penalties and interest), so that rather than a release, as stated in the attachment, the Association seeks a refund of the taxes. Under N.C. Gen. Stat. Section 105-381(b), you are required to determine whether the taxpayer has a valid defense to the tax imposed or any part thereof and shall either release or refund that portion of the amount that is determined to be in excess of the correct tax liability or notify the taxpayer in writing that no release or refund will be made.

It would have been a valid defense to these taxes had the property owned by the Association been the subject for an exemption under N.C. Gen. Stat. Section 105-277.8 (property of a nonprofit homeowners' association) within the time provided by the North Carolina Department of Revenue for listing of exempt real property. The property was not timely listed by the time for such listing for the years for which refund is sought.

Under N.C. Gen. Stat. Section 105-380(a), you are "prohibited from releasing, refunding, or compromising all or any portion of the taxes levied against any property within its jurisdiction except as expressly provided in this Subchapter" [the Machinery Act]. Further, under Section 105-380(c), "[a]ny tax that has been released, refunded, or compromised in violation of this section may be recovered from any member or members of the governing body who voted for the release, refund, or compromise by civil action instituted by any resident of the taxing unit"

County staff will be present and prepared if requested to give further information on this matter.

BOARD ACTION REQUESTED:

Denial of the “release” (refund) as contrary to North Carolina law.

If the Board is so inclined, the following motion is suggested:

I move that the Board deny the refund of the taxes which are the subject of this request, and have the taxpayer's representative notified of the Board's action.

December 20, 2024

Hendersonville County Tax Collector

1 Historic Courthouse Square

Hendersonville, NC 28792

Dear Henderson County Board of Commissioners,

The **Towne Place Homeowner Association, Inc** a not-for-profit organization is requesting the release of property taxes from 2019-2024.

The release of past taxes is requested due to poor communication between the developer and the previous Towne Place Board of Directors. The Association also did not receive the tax bills, nor were they aware of filing property tax exemption. This situation was just brought to the attention of the Board less than 2 weeks ago.

IPM Management, as the current agent of record for the Association, filed the exemption form on behalf of the Association and is in the process of paying the past due amounts. The Towne Place Association is actively resolving this situation as soon as possible.

Your consideration for the release of property taxes and refund of paid taxes from 2019-2024 would be greatly appreciated.

Sincerely & respectfully on Behalf of the Towne Place Board of Directors,

Rebecca Schulz, LCAM, CMCA, AMS

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