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Commissioners split on land-transfer tax

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Commissioners split on land-transfer tax 4 Mecklenburg Dems back measure, but 4 from GOP opposed A proposed tax on real estate sales strongly opposed by the real estate industry is expected to find partisan support among Mecklenburg County commissioners.

Gov. Mike Easley, a Democrat, said state legislators who don't support the so-called transfer tax are standing with Realtors instead of the people they represent. In Mecklenburg, the county's Democratic commissioners say they'll support the tax. But the four Republicans on the board say they loathe the idea of yet another levy.

Supporters say the tax will help local governments handle record growth by helping pay for the new schools, roads and personnel a bigger community needs. Realtors say the fee could hurt home sales, while others against the proposal say it would take another bite out of household budgets already dealing with higher property taxes.

Under the current proposal in Raleigh, commissioners and voters would have to approve the tax before it would go into effect. A 1 percent tax rate would mean a \$2,000 tax on a \$200,000 real estate sale. The seller would technically pay the tax, though the tax would likely be part of negotiations.

The proposal does not force a tax; it gives counties the option to hold a referendum on it. The tax is different from an impact fee, which is a one-time fee on a new home; the tax would apply to property every time it's sold.

What the Democratic Commissioners Say

- "It provides relief to seniors who have been in their homes for years and want to stay in their homes." -- **Jennifer Roberts**, chairman, at-large.
- "Obviously any additional revenue stream would be helpful to Mecklenburg County." -- **Parks Helms**, vice chairman, at-large.
- "Given the cost of building schools and the public demand for them, without some other source of revenue such as that, we're going to have a very difficult time keeping a property tax rate reasonable. ... I think that the housing market could absorb it pretty easily." -- **Dumont Clarke**, District 4.
- "Growth can pay for itself -- but you have to have a responsibility to pay for it. A lot of legislators do not understand the concerns of urban counties." -- **Norman Mitchell Sr.**, District 2.
- Commissioner Valerie Woodard, District 3, said she has not reviewed the proposal yet and could not comment.

What the Republican Commissioners Say

- "We're in a slump as it is. It would be putting the real estate market into even greater pressure than what it is right now. ... All of our citizens have been taxed to death." -- **Dan Ramirez**, at-large.
- "It's another tax on the housing market, and I think it would be detrimental to Mecklenburg County." -- **Karen Bentley**, District 1.
- "The problem is not insufficient tax revenue, but absence of control over spending. ... We will not fix that problem with another tax. I hope it will fail. It's not demonstrated that the government is being starved for revenue." -- **Dan Bishop**, District 5.
- "It's a property tax with another name. It's going to have a larger impact on lower-income folks than on richer folks. I'm against it." -- **Bill James**, District 6. Bill in N.C. legislature would let counties add levy

