

September 18, 2006

To: Chairman & Members of the Board

From: John Bauer

Subject: Elderly/Disability Tax Exemptions

The following are facts from Interim Tax Assessor and former Brunswick County Tax Assessor, Boyd Williamson, with respect to elderly/disability tax exemptions:

- The elderly/disability tax exemptions are very similar.
- Elderly has to be over 65 years of age or permanent disability has to be confirmed by a doctor.
- In both cases, the income cannot exceed \$20,500 for 2007 (that changes every year and is tied to social security calculations in some respects).
- The amount exempted is \$20,000 or 50% of the value of the property, whichever is greater. If after revaluation, a property is valued at one million dollars, they would pay on only \$500,000 worth of the value – **if the person qualifies.**
- Pender County currently has 775 elderly/disability exemptions for 2006.
- Pender County is currently exempting \$20,292,893 in tax base or an average of just over \$26,000 worth of value per household.
- It is currently not known if there are any exemptions on the waterway.

My advice to the Board is to be careful in modifying or attempting to modify State Law (Machinery Act).