

# County Property Tax 101

## What It Is and What It's Used For

Created by the North Carolina Association of County Commissioners (NCACC) Advocacy and Policy Team — January 2026



### What is property tax?

Property tax is on land, homes, buildings, vehicles, personal property, and public service property.



Property is taxed **ad valorem** (according to value).

### How are property taxes calculated?

There are two components to calculating the property tax:

#### Property Value

Determined by fair market value

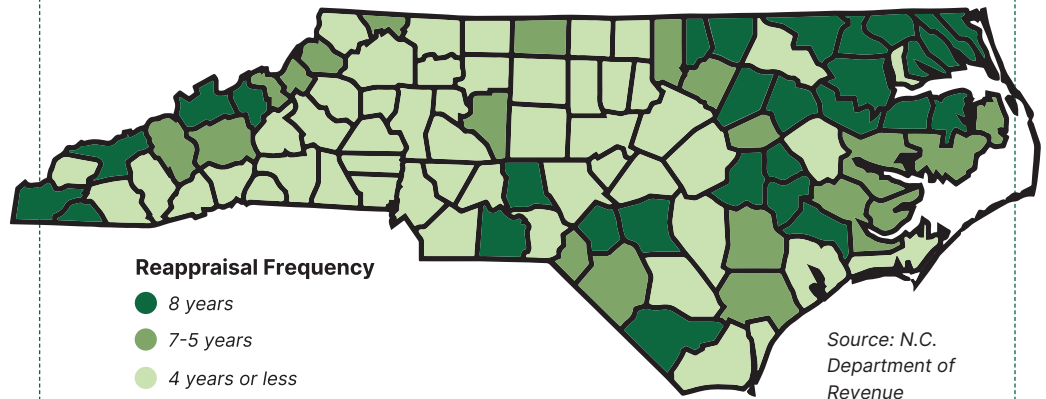


#### Tax Rate

Set by county commissioners



As required by law, **property is reappraised at least every 8 years at its fair market value** — the price at which the property would change hands between a willing and financially able buyer and a willing seller.



#### Reappraisal Frequency

- 8 years
- 7-5 years
- 4 years or less

Source: N.C. Department of Revenue

**More frequent reappraisals enhance accuracy and reflect real-world market values.**

Tax rates are set by county commissioners based on budgetary needs, and taxes are due September 1 and past due on January 6.

### After reappraisal, commissioners adjust the tax rate.

When new property values are determined by reappraisal, boards of county commissioners adjust the tax rate per \$100. Typically, **tax rates are lowered when property values increase.**

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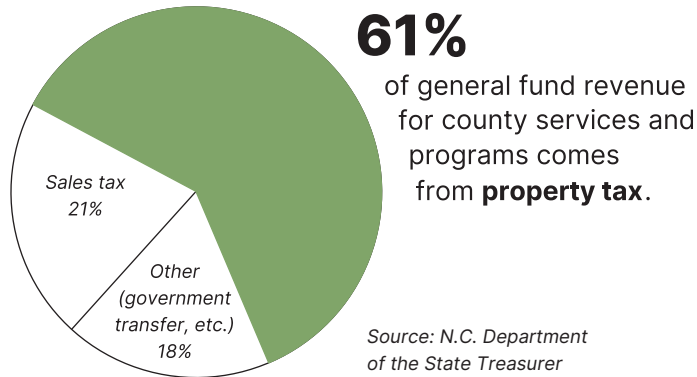
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## How does property tax fund essential services in our counties?

Counties have three main sources of general fund revenue:

This chart shows the average percent across North Carolina.



In general, property taxes are used for:



### Education

Community colleges; public school operating and capital costs



### Public Safety

Police and fire departments; EMS; emergency management; 911 dispatch centers



### Health and Human Services

Public health; mental health; social services; food and nutrition



### Community, Environment, and Economic Development

Parks and recreation; libraries; Cooperative Extension; site development



### General Government

Clerk of Court; Register of Deeds; elections



### Debt Service

Bonds; long-term borrowing

**Property tax is the largest source of funding for essential county services and programs. Counties depend on this revenue to serve their communities.**

Funding models vary among North Carolina counties, but **all counties depend on property tax revenue to provide essential services.** Municipalities and special districts also levy taxes.

## How is my county tax dollar spent?

This chart breaks down your total annual tax bill by essential county service and program percentages.

Property tax supports essential services. On average, 70% of property tax revenue is used to pay for education, public safety, and health and human services.

Source: NCACC survey of sample counties

If you have specific questions about county property taxes, please reach out to the NCACC Advocacy and Policy team at [joy.hicks@ncacc.org](mailto:joy.hicks@ncacc.org).

