

Allegheny Tax Office

Vehicle GAP Bills

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What is a motor vehicle GAP bill?

- ▶ A GAP bill is a property tax bill that covers the months between the expiration of a vehicle's registration and the renewal of that registration or the issuance of a new registration.
- ▶ **EXAMPLE:** Vehicle owners current registration (plate) expires in March. Owner doesn't renew until August. The months between create a GAP in billed property taxes.





**EXPIRED TAG / PLATE
= EXPIRED REGISTRATION**

Why will you receive a GAP bill?

- ▶ When there is a gap in the registration of your vehicle resulting in a gap of the taxes billed. The registration for your vehicle previously expired and the registration was recently renewed or a new registration was issued.
- ▶ During the gap in registration, the vehicle was unregistered.
- ▶ Alleghany County is required to collect property taxes for unregistered vehicles per North Carolina General Statute 105-330.3

Does the tax paid when you renew your registration apply to the GAP bill period?

- ▶ No.
- ▶ Property tax paid to the NC Department of Motor Vehicles (NCDMV) at the time of registration renewal or issuance are for the same 12-month period as your registration.
- ▶ The taxes billed on a gap property tax notice are **ONLY** for the months your vehicle was not registered with NCDMV.

How can citizens avoid a GAP bill?

- ▶ Do not have your expiration date rolled forward.
- ▶ Renew before your registration expires.



HOW MANY MONTHS IS THIS BILL FOR?

How many months can the GAP include?

- ▶ A gap property tax bill will cover at least 1 month and can cover all months between registrations, without limitation
- ▶ Alleghany reports include some registrations that have lapsed from 1 to 24 months and more!
- ▶ All of the lapsed months will be on the GAP bill.

When is the vehicle value determined and who determines it?

- ▶ The value of the vehicle is determined as of January 1 of the year in which the GAP bill was calculated.
- ▶ The value of the vehicle is assessed at its true value in money. The sales price of a classified motor vehicle purchased from a dealer, including all accessories attached to the vehicle upon delivery to the purchaser, is considered the true value of the vehicle, and the assessor must appraise the vehicle at this value (NCGS 105-283).
- ▶ The NC Dept. of Revenue adopts a schedule of values to be used in the valuation of all other classified motor vehicles.

Can I appeal the value?

- ▶ Yes
- ▶ Appeals of value, situs (taxable location), and taxability must be filed with the Tax Office within 30 days of the September 1st that follows the date on the GAP tax bill.



Due date & Interest

- ▶ Taxes are due by the September 1 that follows the date of the gap bill received.
- ▶ Interest begins to accrue the following January 6.
- ▶ Interest accrues at a rate of 2% in January and $\frac{3}{4}$ of 1% for each month thereafter until paid in full.

What if a GAP bill is not paid?

- ▶ Delinquent GAP bills are subject to:
 - ▶ Garnishment of Wages
 - ▶ Attachment of Bank Accounts
 - ▶ Levy on Personal Property
 - ▶ Are liens on real property- Payment may be required before you can transfer ownership of real property.
 - ▶ May be submitted to the NC Dept. of Revenue for set off against State Income Tax Refunds or Lottery winnings

When will property owners begin to receive GAP bills?

- ▶ We will begin mailing GAP bills in October and on a monthly basis thereafter.



QUESTIONS?



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