

THE NEW TAG AND TAX  
SYSTEM MAKES IT EASIER  
TO MANAGE YOUR  
VEHICLE REGISTRATION  
AND TAXES

One payment— made either in person,  
online or by mail...

Completes the annual tag and tax pay-  
ments for your vehicle

Beginning Sept 2013, your annual vehi-  
cle inspection, registration renewal, and  
property tax will be due the same month  
each year.

Learn more about North Carolina's new  
Tag and Tax System by reading the  
FAQs in this brochure, calling the  
McDowell County Tax Office, or view-  
ing the DMV website.

Contact Numbers:

Tax Office: 828-652-7121

**Beginning with Sept 2013 Registrations**

**NC DMV**

Payments for Registration Fee

Payments for Motor Vehicle Property Tax

**McDowell County Tax Office**

Appeals of Value

Tax Situs Corrections



**MCDOWELL COUNTY**

60 East Court Street  
Marion NC, 28752

Phone: 828-652-7121

Fax: 828-652-8735

Website: <http://www.mcdowellgov.com/>

**MCDOWELL COUNTY**

**ABOUT NC's NEW TAG  
AND TAX SYSTEM**

THE NORTH CAROLINA GENERAL  
ASSEMBLY PASSED A NEW LAW TO CREATE  
A COMBINED MOTOR VEHICLE  
REGISTRATION RENEWAL AND PROPERTY  
TAX COLLECTION SYSTEM. IN DOING SO,  
THE NEW LAW TRANSFERS THE  
RESPONSIBILITY FOR MOTOR VEHICLE TAX  
COLLECTION FROM THE 100 COUNTIES  
ACROSS NC TO THE DMV.

NC'S NEW TAG AND TAX SYSTEM HAS  
BEEN DESIGNED AS A CONVENIENT WAY  
TO PAY ANNUAL VEHICLE TAG RENEWALS  
AND VEHICLE PROPERTY TAXES.

IF YOUR ADDRESS IS CURRENT WITH THE  
NC DIVISION OF MOTOR VEHICLES, YOU  
WILL RECEIVE A TAG AND TAX NOTICE  
LISTING BOTH VEHICLE REGISTRATION FEES  
AND TAXES DUE. JUST AS IN THE PAST,  
VEHICLE OWNERS WILL RECEIVE THE  
NOTICE ABOUT 60 DAYS PRIOR TO THEIR  
VEHICLE'S REGISTRATION EXPIRATION.

# FREQUENTLY ASKED QUESTIONS

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**Q. Why is the state's collection of vehicle property taxes changing?**

The North Carolina General Assembly ratified House Bill 1779 to create a combined motor vehicle registration renewal and property tax collection system. The legislation places the responsibility for motor vehicle property tax collection for the state's 100 counties with the Division of Motor Vehicles. The new combined registration fee and tax collection has become North Carolina's new "Tag and Tax System."

**Q. When does the new Tag and Tax System take effect?**

The new system is scheduled to be phased into effect with the Sept 2013 vehicle registration renewals. By Sept 2014, all North Carolina vehicles will be enrolled in the system.

**Q. Why has my registration renewal form changed?**

The new form combines information about your vehicle registration renewal fee and your vehicle property tax due. The new Tag and Tax System allows you to make one payment for both registration renewal and vehicle property tax.

**Q. Is interest charged on late payments?**

Yes. State law requires that interest be charged on late vehicle property tax payments and on late registration renewals.

**Q. Will my vehicle registration renewal fee remain the same?**

Yes. Vehicle registration renewal fees will remain the same annual cost. The only increase in your bill will reflect the vehicle property tax amount.

**Q. When is my vehicle tax due?**

Your vehicle tax will be due at the same time you renew your vehicle. North Carolina law requires that your vehicle property tax be paid in order to renew the vehicle registration. The due date will be printed on the new combined notice that you receive in the mail.

**Q. Can I renew my vehicle registration if I do not pay my property tax first?**

No. You cannot renew your vehicle's registration, whether it is leased or owned, unless the total taxes and registration fees on the vehicle are paid.

**Q. Am I paying vehicle property taxes for the coming year, or the preceding year?**

Taxes due on this notice are for the coming year, covering the same period as the vehicle registration.

**Q. What if I lease my vehicle? Do I need to pay my property taxes to the leasing company?**

No. Vehicle property taxes on leased motor vehicles must be paid in full at the time of renewal.

**Q. How will I know what vehicle property tax I owe?**

Your property tax will be included on the new combined notice with your county and municipality tax rates and other applicable taxes due.

**Q. Will I receive a tax refund if I transfer my license plate to another vehicle during the year?**

No. If you have paid your vehicle property tax for the year and then transfer the license plate to another vehicle, you will not be eligible for a refund of the taxes paid. The registered motor vehicle to which the plate is transferred will not be taxed until its current registration is renewed.

**Q. When can I apply for a refund of vehicle property taxes paid?**

An owner can apply for a refund of taxes paid when a motor vehicle is sold or registered out of state. The refund will be calculated on any full calendar months remaining in the registration period after the license plate is surrendered to the NCDMV. Within one year of surrendering the license plate, the owner must present the following to the county tax office: (1) proof of plate surrender to the NCDMV (Form FS20); and (2) copy of the bill of sale or the new state's registration.

**Q. Should I pay vehicle property tax if I am active duty military?**

Active duty non-resident military personnel may be exempt from North Carolina motor vehicle property tax. To qualify for an exemption, you must present a copy of your Leave and Earnings Statement to the county tax office. The statement should be for the month and year in which you register the vehicle and must include your Estimated Time of Separation (ETS) date and home of record.