

Gap Billing

What is gap billing?

The billing of taxes where missed months of taxation exist between motor vehicle renewal dates. NC General 105-330.3(2) established the requirements and procedures for counties in NC to implement the billing process.

What constitutes a gap bill?

Gap billing occurs when there are one or more months in billed property taxes between the expiration of a vehicle's registration and the issuance of a new registration.

Is there an appeal process?

Appeals of value and taxability must be filed with the tax office within 30 days of the date of this notice.

What happens if bill remains unpaid?

Past due taxes are subject to enforcement measures including, but not limited to, garnishment of wages and bank accounts, levy on personal property, attachment of current and future state tax income refunds, and attachment of lottery winnings. Enforcement measures will begin immediately after the due date.

What is the due date?

Taxes must be paid on or before the past due date. Payments received by mail are deemed received based on the U.S. Postal Service postmark. If no date is shown on the postmark OR if the postmark is not affixed by the U.S. Postal Service, the tax payment shall be deemed received when received by the Tax department. G.S. 105-330.4(d) states that the burden of proof shall be on the taxpayer to show that the payment was timely made.

What is the interest rate?

Interest accrues at 2% for the first month and 3/4% added the first day of each month thereafter until paid in full.

Why am I receiving a gap bill?

The registration for the vehicle listed on your notice expired. The registration was recently renewed, or a new registration was issued. During the lapse in registration, the vehicle was considered unregistered, and the county is required to collect property taxes for vehicles with an unregistered status per NC General Statute 105-330.3(2).

Points to Remember

To ensure the registration and assessment process functions smoothly, we suggest the following:

1. Register your vehicle on time.
2. Make sure the county you reside in appears correctly on your registration.
3. Notify DMV of any address changes.
4. Report all incorrect billings immediately.
5. Notify the Tax Department immediately when a vehicle is sold and tag is surrendered.
6. Pay your vehicle tax bill on time.

CONTACT US

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Motor Vehicle Local Property Taxes

What You Need To Know



Tax
DEPARTMENT of GUILFORD COUNTY

Visit Our Website
www.GuilfordCountyNC.gov/Tax



Frequently Asked Questions

How am I billed for vehicle taxes?

About two months before you renew your license plate, you will receive a bill which is due and payable on or before the 15th day of the following month for which the license plate expires. As of July 1, 2016, the NC DMV (North Carolina Division of Motor Vehicles) charges a late fee once the plate has expired and it has not been renewed.

Late Renewal Fees:
First month = \$15 charge
Second month = \$20 charge
After that, each month = \$25 charge

The late fee is charged on the first of each month after the plate has expired which is different from the interest date which begins on the 16th of the month following the expiration of the plate. NC DMV is required by law to bill the county, municipal, fire, or any other special district taxes for which the vehicle is located in.

What if my address has changed?

Whatever your address was at the time of purchasing your tag will determine the jurisdictional taxes you pay: county, city, fire, etc. When you receive your Tax and Tag Statement from the NC DMV, please make sure your county and address are correctly listed. When you have a change of address, please notify the NC DMV as soon as possible.

How is the value of my vehicle determined?

By North Carolina law, your vehicle value is determined as of January of the year the taxes are due. A number of months of depreciation may have occurred on the vehicle by the time you receive the bill, but the bill is based on the January 1 value.

We are required by state law to appraise the vehicle at its true value in money. All 100 North Carolina counties use the same vendor to value their vehicles.

What if I don't agree with my vehicle value?

Please provide proof showing the market value of your vehicle as of January 1st. Such proof might include: bill of sale, high mileage, physical damage, etc. The Tax Department will make any adjustments of value that are warranted.

Appeal of value must be made within 30 days of the due date of the bill.

What tax rates are used on my bill?

The Tax department is required to use the tax rates of the various taxing units in effect on the first day of the month in which the current vehicle registration expired or the new registration was applied for.

What if my bill is not correct?

If you are billed for the wrong city, fire or even county jurisdiction please contact our department within 30 days of the notice date on your bill.

What if I surrender my tag and sell my vehicle?

If you sell your vehicle and surrender the tag to NC DMV, you might be eligible for the vehicle bill to be adjusted based on the number of months left on the tag at the time of surrender. For example, if you ran the tag for 3 months, sold the vehicle and surrendered the tag, your bill would be adjusted to pay only 3 out of 12 months.

What if I transfer my tag to another vehicle?

If bill is incorrect, contact NC DMV to have bill corrected.

What if I moved out of state?

The Tax department can adjust your vehicle tax bill if you have moved out of state. The owner must provide documentation showing the tag has been surrendered to NC DMV and that the vehicle is now registered in another state. The documentation must be provided within one year of tag surrender to NC DMV.

What if my vehicle does not have a current tag?

If your vehicle does not have a current license plate tag as of January 1st, you will need to list the vehicle on a listing form provided by the Tax department.

What if I don't pay on time?

Unpaid balances accrue interest at the rate of 5% the first month and 3/4% each month thereafter until the bill is paid in full.