

While this blog is not particularly insurance related, it is important information that I think a number of our clients will be glad to understand better. The State of NC is phasing in a program that will combine your license tag renewal with your payment for the property taxes due on your vehicle.

In NC, each county charges a property tax for each licensed vehicle on the road. Prior to this change, you would receive a bill for the property taxes due on your car each year on the anniversary date of the day that you first registered your vehicle. That property tax bill would come from your county tax office and is generally due at that time. In 2013 that is changing.

The NC General Assembly passed House Bill 1779 recently which created the Tax and Tag Together program. This program combines the renewal bill for your license tag with your property tax bill for your vehicle. Once this program is fully phased in, everyone will receive a combined bill for both license renewals and vehicle property taxes and both will be due at the same time, both paid to the NC Division of Motor Vehicles.

This phase in for this program will begin in mid 2013 as the DMV begins sending out registration renewals that will include the property taxes with each bill. The DMV will be responsible for disbursing the funds of your tax payment to the correct county that should receive it. You will no longer be able to pay your vehicle property tax payments at your county office. By mid 2014, all vehicles will be incorporated into this system.

Several years ago the DMV connected your annual vehicle inspection renewal with your tag renewal and this has not changed. You still must have your vehicle inspected before you pay your tag renewal. Now your vehicle tax will be due at the same time as well. So, you will have three things that you must do at the same time: Get your vehicle inspected, pay your tag renewal and pay the property taxes on that vehicle.

You will receive notice of all of this prior to the due date. However, if you have moved and have not notified the DMV of your new address, then you will likely miss this notice and could be subject to penalties and interest if you are late paying your property taxes.

Last of all, remember that in NC if you have a tag in your possession, then you must have auto liability insurance in force as well. So if you sell your car, don't forget to take off the tag and turn it in to the NCDMV office before you call your insurance agent to ask them to remove this car from your insurance policy.

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