



GUILFORD COUNTY
OFFICE OF THE COUNTY ATTORNEY

February 28, 2014

Mr. Terry Wood
Greensboro City Attorney's Office
P.O. Box 3136
Greensboro, NC 27402-3136

Re: Reduction of Tax Discount Rate

Dear Mr. Wood:

On February 6, 2014, the Guilford County Board of Commissioners approved lowering the County's discount rate for early payment of property taxes from 1% to .5%, effective beginning with the current tax year. The step was done to increase tax revenues; moreover, maintaining the .5% discount sustains significant level of early payments. Banks and other financial institutions are required to pay early where a discount rate, whether 1% or .5%, is in place. This represents between one-half to two-thirds of the early payment we receive. Additionally, it is felt that the current rate of the remaining early payments will not be materially reduced.

Pursuant to this action taken by the Guilford County Board of Commissioners and in accordance with the City-County Interlocal Agreement on Tax Collection and pending approval by the State Department of Revenue pursuant to N.C.G.S. §105-360, it would respectfully be requested that the Greensboro City Council ratify this change and approve reduction of the discount tax rate to .5% for City taxes. No change to the Interlocal Agreement between the City and County on Tax Collection is required to reflect the change.

If there are any questions or if I can be of any assistance to you, please call me at (336) 641-3852. Thank you.

Sincerely,

J. Mark Payne
Guilford County Attorney

cc Guilford County Board of Commissioners
Marty K. Lawing, Guilford County Manager
Ben Chavis, Guilford County Tax Director

