

FOR PROFIT CEMETERIES

North Carolina General Statute §105-278.2

- (a) Real property set apart for burial purposes shall be exempted from taxation unless it is owned or held for purposes of (i) sale or rental or (ii) sale of burial rights therein.
- (b) Taxable real property set apart for human burial purposes is hereby designated a special class of property under authority of Article V, Section II (2) of the North Carolina Constitution, and it shall be assessed for taxation taking into consideration the following:
 - (1) The effect on its value by division and development into burial plots:
 - (2) Whether it is irrevocable dedicated for human burial purposes by plat recorded with the Register of Deeds in the County in which the land is located; and
 - (3) Whether the owner is prohibited or restricted by law or otherwise from selling, mortgaging, leasing or encumbering the same.
- (c) For the purposes of this section, the term “real property” includes; land, tombs, vaults; monuments and mausoleums and the term burial includes entombment. (1973, c. 695, s. 4: 1987, c. 724)

CEMETERIES

Private or “for profit” cemeteries are appraised by determining the number of unsold units (lots, crypts and niches), the average selling price per unit and the absorption period necessary to deplete the unsold inventory.

The following formula has been utilized by Durham County;

Number of unsold lots, crypts, niches (x) average selling price (x) discount rate.
(# units) x (avg. \$ price) x (DR) = indicated value)

NOTE: Other income (openings, closings, markers sales, etc.) is not included in the formula listed above. This additional income should be capitalized using a traditional income approach to determine value. Any excess land (non-platted or not dedicated for burial purposes) will be valued in accordance with the rates placed on surrounding parcels. The value of all land dedicated for burial purposes will be included in the value of the unsold units, land occupied by sold units will be considered exempt from taxation and will not be included in the final appraised value.

NOTE: The gravesites, crypts and niches rates are specific to each cemetery and are listed in the miscellaneous building rates.

EXAMPLE:

Spartan Cemetery

Property consists of: 21.584 acres totally dedicated for cemetery use, and 3,500 unsold gravesites. Gravesites sell at an average of \$900 each and the absorption period is estimated at 50 to 75 years.

(3500 units) x (\$900/unit) = \$3,150,000 x (10% DR) = **\$315,000 Indicated Value**

DURHAM COUNTY CEMETERY QUESTIONNAIRE

Cemetery Name _____

Cemetery Address _____

1) How many grave sites remained unsold as of January 1, 2019? _____

2) How many grave sites were sold during 2018? _____

3) Total gross income received from the sale of grave sites during 2018. _____

4) What is the average price of the remaining unsold grave sites? _____

5) How many crypt sites remained unsold as of January 1, 2019? _____

6) How many crypt sites were sold during 2018? _____

7) Total gross income received from the sale of crypt sites during 2018. _____

8) What is the average price of the remaining unsold crypt sites? _____

9) How many niche sites remained unsold as of January 1, 2019? _____

10) How many niche sites were sold during 2018? _____

11) Total gross income received from the sale of niche sites during 2018. _____

12) What is the average price of the remaining unsold niche sites? _____

13) Were any grave sites, crypt sites, niche sites or mausoleums added during 2018? yes ___ no ___

14) Have you purchased or sold any cemetery land or made any other improvements during 2018? yes ___ no ___ if yes list type, amount and cost.

15) Has the property been appraised for any reason; sale, bankruptcy, merger, etc. since 2016? yes ___ no ___ if yes please provide copy of appraisal, etc.

Submitted by _____

Owner Name(s) _____

Telephone _____

Parcel Number _____

Date _____