

'Certain Circumstances'

Interest Charges To Be 'Relieved'

By BILL ALLEN
Staff Writer

The Brunswick County Board of Commissioners took action—despite the fact they might end up in court to relieve interest charges for late payment of 1975 taxes "under certain circumstances" during a special meeting Tuesday night.

The board voted unanimously in two motions to have County Attorney James Prevatte, Jr., Tax Supervisor K.T. Bellamy and Institute of Government officials draw up the guidelines for the program which will be in effect through February 29. The guidelines are expected to be presented to the board Monday.

Board members said they were especially concerned about taxpayers who tried, but were unable, to determine how much taxes they owed and were charged interest because they were late, "due to no fault of their own."

Under the program, taxpayers falling "under certain circumstances" will be able to obtain their interest payments back if they follow the proposed guidelines.

Chairman Steve Varnam, Jr., said Tax Collector Homer McKeithan will be able to use the guidelines to determine if the interest is to be relieved. Taxpayers using the guidelines will be required to sign forms and affidavits that their statements are true. A list of the taxpayers relieved of the interest charges will be presented to the board for final approval.

Commissioner Ira Butler, Jr., a former county tax supervisor, estimated, based on information provided by Chairman Varnam, that the interest relief program will affect "a couple thousand dollars."

Chairman Varnam said that the tax department has collected about 88 percent of the incomplete tax listings. But he said it had not collected the total base since about 12 percent of the taxes have not been given the department.

The chairman said the department has collected about \$700 in interest payments, including some which are legitimate. "We

are probably not talking about that much money," Chairman Varnam explained.

Assistant Director Joe S. Ferrell of the Institute of Government told the board in a letter that "the confusion surrounding Brunswick County's 1975 revaluation is such that equity almost demands that no interest be charged in some situations even though the strict letter of the law requires otherwise."

He said if the board felt compelled to act contrary to the expressed provisions of the statute in the interest of equity, they should assume as individuals the risk of being held personally liable for the taxes released.

Ferrell said a 1964 court case "holds out some hope that the courts would not impose such liability when the taxpayer's failure to pay his taxes before January 1 was due to a failure on the part of county tax officials to properly administer the tax laws," which is met in most situations in the county.

"If any member of the board is sued individually pursuant to the law, it is our opinion that the county may employ counsel to defend the suit and pay the cost of the defense from general county funds," Ferrell stated.

Ferrell said that institute officials were giving their legal opinions "as to the strict requirements of the Machinery Act," which governs county tax matters.

They said the board has the authority to compromise or adjust its claim for taxes, including penalties and interest, only pursuant to a discovery.

But the board has no expressed statutory authority to waive or compromise interest where the taxpayer pays his taxes on or after January 1, 1976, they said.

They said that each member who votes to release any portion of the interest legally due on taxes in almost any situation except discovery is personally liable for the amount released.

The institute officials reported that the Board of Equalization and Review has the authority to order the official tax receipt corrected

to reflect the proper valuation and must release any portion of the tax levied in excess of that due on the proper valuation. But the board has no authority to release any portion of interest due on the correct amount of the tax.

They said the board "arguably" has the authority to correct appraisals on the grounds that the official tax record figures are the result of a clerical error. Unless the board has written evidence, they said the taxpayer should be asked to submit a sworn affidavit setting out facts sufficient to sustain a finding of clerical error.

The institute officials said the discovery method should be used on property not appraised by the revaluation company. When it has been done, and the tax receipt charged to the tax collector,

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CANDY STRIPERS at Doshier Memorial Hospital will be assisting in the nursing care of patients under the direction of Mrs. Sarah Burnish (right) Director of Nursing Services. The Candy Strippers include Nikki Bray, Jill Hubbard, Julie Broadway, Carolyn Perkins, Angel Fowler, Donna Poole, JanYvette Hubbard, Debi Schreiber, Martha Pierce, Evelyn McNeill and Cynthia Jones.

Rebates Probable For Beach Will Vote Long Beach Taxpayers On Consolidation

By BILL ALLEN
Staff Writer

Long Beach taxpayers stand a good chance of receiving a tax rebate this year, Mayor Harold Crain announced during the regular board meeting last Wednesday night.

Mayor Crain said, however, the proposed rebate is conditional upon the town coming "reasonably close" to collecting 90 percent of the 1975 taxes. Collections are running a little over 70 percent at this time.

"Right," Mayor Crain answered when asked by Long Beach Non-Resident Property Owners Association Attorney G. Thomas Gall if a rebate is "definitely proposed to be made."

Although the size of the proposed rebate is unknown at this time because of the collection question, Mayor Crain said he hoped it would be as large as possible. "We

can't definitely say there will be a rebate," the mayor stated. "Suppose tax collections stop at 78 percent?"

"I am certain it would have to be on that condition," Gall responded. "I will convey back to my people just the way you expressed it."

Mayor Crain said he wanted to make it clear that the board was not reluctant to say that taxpayers will receive a rebate. "It will have to be hinged on how much taxes we collect," he explained. "If people don't pay their taxes, there is not going to be any rebate."

Gall said the Non-Resident Property Owners Association members never said they were not going to pay their taxes. He said the association encouraged members to pay their taxes "to demonstrate there was going to be a large surplus."

Mayor Crain said officials

hope the town will have \$5,000 to \$10,000 in funds to pay rebates to taxpayers based on their tax payments. "But the rebate will not be what a lot of people think it might be because the problem is not the tax rate but the valuation," he continued. "A \$50 to \$75 rebate will only make them madder."

Mayor Pro-Tem Ellis Dudley, who was appointed chairman of the Finance committee, said the first job is to get the Long Beach financial house in order and then pay rebates. "This town has got to be put on a firm financial foundation first even if the rebate is only a nickel," he added.

Mayor Crain and Gall made their remarks late in the meetings after the board had spent a good deal of time talking about tax matters. Mayor Crain read a two-page statement about the tax situation, which was unanimously endorsed by the Board. The board then unanimously approved six pages of budget amendments after they were explained by Town Manager John Berry.

Mayor Crain asked Berry, who has been spending a great deal of time working on the budget in order to present the amendments, to estimate the Long Beach tax rate next year.

"It will be something under 50 cents, I am reasonably certain," Berry told Mayor Crain.

Hannon Templeton, chairman of the Oak Island Consolidation committee, said a recent study said the tax rate should have been 39 cents this year if the present tax base had been used. "But I am not disputing your figures," he quickly added.

"If his (Berry's) guess is correct, we will be in line with our sister cities," Mayor Crain stated.

Mayor Crain said in his statement "that taxes seem to be a big issue on most everybody's mind these days" at Long Beach. He said it was "evident" that there will be "a surplus generated of a magnitude unknown at this moment toward the end of this fiscal year."

He said the problem (Continued on page 3)

\$3.2 Million Tag For Leland School

By ED HARPER
News Editor

Preliminary plans and drawings for a 105,000 sq. ft., \$3.2-million Leland Middle School were approved Monday night by the Brunswick County Board of Education.

"To me, it is an excellent floor plan," Chairman Wilbur Earl Rabon said of the diagram presented by L.R. Evans of Raleigh, architect for the new school project. In approving the plans and drawings, the board gave Evans permission to proceed with design development. Asst. Supt. John Hicks, supervisor of school construction projects, indicated during the Monday night meeting that bids might be sought by June or early July

of this year.

Evans told the Board of Education during the special meeting—called to choose an architect for the planned bus garage project—that he had met on Jan. 13 with the Division of School Planning and the following day with the Department of Insurance. Their suggestions have been incorporated in the plan, he noted, and the drawings will be re-submitted to the planning section this week.

Among features of the planned Leland Middle School will be:

—Separate entrances, for buses and students near one end of the 500-foot-long school building and for teachers and the public near the other end;

—A natural partition of 12- to 15-foot-high pine trees that will separate the school from

the road;

—Five "pods" of seven classrooms each for grades four through eight; and another section for the Educable Mentally Handicapped;

—Non-load-bearing walls that could be removed to allow team teaching in a variety of classroom combinations;

—A 500-seat gymnasium with a high-school-size basketball court;

—Individual shower stalls in the locker rooms that will be used primarily by seventh and eighth grade students;

—A 300-seat cafeteria, which along with the gymnasium could be used by the public completely separate from the teaching stations in the school;

—All classrooms have

window openings to the outside or to an open court ("Not only for aesthetics," said Evans, "but also for fire reasons.")

—A "Career Awareness" section that Evans described as "the coming thing" in middle schools. ("This should have been in the middle schools years ago," said Member William Sue.)

"We're looking at a \$3.2-million budget at this point," Evans told members of the board.

The school is designed to accommodate 1,000 students, while an earlier cost estimate of \$2.6 million figured on 900 students. "We will have 967 kids when we get ready to open the doors," Sue pointed out.

The 105,000 sq. ft. school (Continued on page 3)

Beach and a total base of \$93.5 million for the two communities combined, he said a tax rate of 38 cents was anticipated if all services were continued at the same level as now.

Assuming that some services might be consolidated, he noted that a tax rate as low as 34 or 35 cents was possible; while a rate as high as 41 cents was possible if staffs were consolidated and reduced and some services were added.

There was no comment from the audience concerning this section of the report.

But there were questions concerning water systems, of which Yaupon Beach has "a very fine, up-to-date" one, according to Chairman Templeton, and most of Long Beach has none.

Vogt, recognizing the difference in the systems, has recommended that the two remain separate in operation. But should either the existing Yaupon Beach system or the proposed Long Beach system ever default, taxpayers in the entire new Oak Island community would legally share the financial responsibility. The report said this "should, however, have no practical significance since the debt is being paid off with the revenue from the water system" in the case of Yaupon Beach. It has been proposed that revenues pay for the long Beach system as well.

In the matter of street paving, it was noted in the report that most Yaupon Beach streets are hard-surfaced while Long Beach still has many miles of unpaved roads. The report suggested that one method of solving the problem would be "to earmark that portion of street-aid money received from the state for street mileage in the Long Beach area for use only in completing paving in that area."

There was no comment on this item in the report.

Other topics of brief mention included ordinances that must be (Continued on Page 2)