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In support of the transfer tax

By [Bert Bowe](#)

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Pittsboro, NC - I strongly support a 1% transfer tax for Chatham County - for the many solid reasons that have also been offered by others. While not a big fan of taxes, with the recent and projected growth in Chatham County I have no doubt taxes will go up to fund badly needed infrastructure - it's just a matter of deciding where the money will come from.

It's confusing that the North Carolina real estate and contractor lobby is fighting what seems like a very logical alternative of benefit to Chatham as well as themselves. For example, do agents really believe a one-time 1% tax is worse than not having funds for enough good quality schools, water, sewage treatment, roads, police, fire, libraries, courts, etc? Don't prospective home buyers think about these things in addition to just home price?

Technically sellers would pay the tax, but I believe in practice buyers would pay part or all of it within the sales price - no different than the typical 6% real estate sales fee paid by the seller (which at six times the proposed transfer tax isn't suggested by opponents as a detriment to economic progress in Chatham). The tax for a new home worth less than \$290,000 is less than the current \$2,900 impact fee, so the transfer tax is progressive. Conversely, I believe most people who can afford, for example, an \$800,000 home, would not build elsewhere just due to an extra \$8,000. And - new construction accounts for a great deal of our need for additional and upgraded infrastructure.

Some suggest more efficiency and reduced spending will take care of the problem. I am always for wise spending of tax dollars at all times, but there is no way to find the needed funds this way.

Also, a huge property or sales tax increase, which is of course an ongoing expense every year, will be extremely burdensome and inappropriate as a "solution." Does the real estate lobby believe extremely high ongoing property and/or sales taxes are better for Chatham's economy than a 1% transfer tax paid only when a sale occurs?

Six other North Carolina counties have voted for this tax starting 22 years ago, and it has been judged a great success. Unfortunately, the real estate and construction lobby - with huge campaign contributions - have in the past stymied other counties' efforts to do the same. It is time to change that.

The transfer tax would only go into effect only if county residents voted it in; this legislation just gives Chatham residents the right to consider a transfer tax.

The bottom line is there is no well-documented better idea to cover very large, unavoidable, and ongoing Chatham growth costs.