

Gaston County

Gaston County Board of Commissioners www.gastongov.com

Finance

Board Action

File #: 23-524

Commissioner Hovis - Finance - To Approve Budget Transfer for Allowance of Administrative Costs on Collection of Real Estate Conveyance Taxes from Deeds of Trust Fund to General Fund (\$150,000)

STAFF CONTACT

Kyle Sutherland, Interim Finance Director - Finance - 704-866-3032

BUDGET IMPACT

Setup transfer accounts between the Deeds of Trust Fund and General Fund for the transfer of an estimated \$150,000 in revenues allotted for the administration and collection of real estate conveyance taxes on behalf of the NC Department of Revenue.

BUDGET ORDINANCE IMPACT

Minimal impact to the budget ordinance.

BACKGROUND

The Register of Deeds office collects taxes imposed on the transfer of real estate within the county. The county retains 50% of the taxes collected and the remaining 50% is paid to the state through the Conveyance Tax Return. On the Conveyance Tax Return the county is allowed to deduct 2% of the state's share of taxes for the county's cost associated with the administration and collection of the state's share of taxes. This is additional revenue to the county. In FY 2021, the county was required to implement the GASB 84 standard which required the Deed of Trust Fund to be setup and is where the conveyance taxes are currently recorded. The cost of collecting and administering the service on behalf of the state, such as personnel costs, etc. are all recorded in the General Fund. In order to reimburse the General Fund for the administrative costs, a transfer from the Deeds of Trust Fund is necessary.

This Board Action, if approved, authorizes the transfer of up to \$150,000 in revenues allotted per the Conveyance Tax Return to the General Fund as reimbursement for the costs associated with the administration and collection of the conveyance taxes on behalf of the NC Department of Revenue.

POLICY IMPACT

N/A

<u>ATTACHMENTS</u>

Budget Change Request (BCR)

DO NOT TYPE BELOW THIS LINE

	. Buff, Clerk t he Board of C					reby certi		above is a t	rue and correct copy of action
NO.	DATE	M1	M2	CBrown	CCloninger	AFraley	BHovis	KJohnson	TKeigher RWorley Vote
2023-396	11/28/2023	RW	вн	Α	А	Α	А	Α	AB V A
DISTRIBU									

GASTON COUNTY									
	BUDGET CHANGE REQUEST (BCR)								
то:	Dr. Kim S. Eagle, County Manager								
EDOM.	Finance Finance								
FROM:	FIN Finance Dept. Code Department Name								
	Doparament name								
	Kyle Sutherland 10/25/2023								
	Department Director Date								
REQUEST TYPE:	Line-Item Transfer Within Department & Fund □ Line-Item Transfer Project Transfer Within Department & Fund □ Additional Appropr Line-Item Transfer Between Departments *Requires resolution by the Bo	riation of Funds*							
ACCOUNT DESCRIPTION	ACCOUNT NUMBER	AMOUNT**							
As it appears in Munis	Fund-Dept-Div-SubDiv-Prog-SubProg-Future-Obj-Proj	Whole dollars only							
Ex. Employee Training	XXXX-XXX-XXXX-XXXXXX-XXXXXXXXXXXXXXXXX	Ex. (\$5,000)							
. ,	Ex. 1000-BGT-000-00000-000000-000000-01-520011-	Ex. \$5,000							
		4							
Transfer to General Fund	2040-NDP-000-00000-TrfxTo-0000000-0000-98-581000- 2040-ROD-000-00000-000000-00000-01-430022-	\$ 150,000.00 \$ (150,000.00)							
Conveyance Tax: Administration Transfer from Deeds of Trust	1000-NDP-000-00000-TrfxFr-0000000-0000-98-482040-	\$ (150,000.00) \$ (150,000.00)							
Fund Balance Appropriated	1000-NDP-000-00000-FBApro-0000000-0000-99-490000-	\$ 150,000.00							
MANUAL									
ALAN MANAGEMENT AND									
	Check cell- Amounts must sum to \$0	\$ -							
** Decreases in expenditures and increases in reve between funds require inter-fund transfer account:	nue accounts require brackets. Increases in expenditures and decreases in revenue do not require brackets. s.	. Please note that transfers							
JUSTIFICATION FOR REQUEST:									
administration and collection of the s	een the Deed of Trust Fund and the General Fund for the reimbursement of cos state's share of real estate conveyance taxes collected by the Register of Deeds being budgeted as additional funds available to spend.								