

Property Taxes

The General Assembly and the Wake Forest Budget

By Abby Black
Originally published in *Wake Forest Matters*

Wake County holds second place statewide for counties with property tax revenue growth higher than inflation rates.⁽¹⁾ Wake Forest residents have directly felt the pain in their pocketbooks.

In December of 2025, North Carolina Speaker of the House Destin Hall formed the NC House Select Committee on Property Tax Reduction and Reform, a bipartisan select committee whose purpose is to study options to reduce tax burdens on North Carolinians.⁽²⁾ In Spring of 2026, the Committee officially recommended a State Constitutional amendment restricting counties' abilities to raise property taxes.⁽³⁾

House Bill 1089 was filed on April 28. Not only will it restrict the levying power of counties, but also of municipalities and special districts. The State Constitutional amendment aims to prevent local governments, as stated in Section 1, from, “[*levying*] taxes on property, except for purposes authorized by general law uniformly applicable throughout the State, unless the tax is approved by a majority of the qualified voters of the unit who vote thereon.”⁽⁴⁾

Concurrently, Senate Bill 889, the Property Tax Reappraisal Moratorium, passed the State Senate on May 7, 2026. S889 instructs counties with populations higher than 15,000 residents to freeze 2026 property tax rates and postpone 2026 reappraisals from implementing until 2027.⁽⁵⁾

On April 28, 2026, Senate President Pro Tempore Phil Berger (Guilford, Rockingham District 26) stated that the intention behind S889 is to give residents a year's worth of certainty with their tax bills while also giving legislators time to draft legislation to “rein in property tax increases.”⁽⁶⁾

Anticipating the passage of H1089 and S889, several counties are taking action. On May 4, 2026, the Columbus County Commissioners unanimously approved a resolution opposing legislative levy limitations on counties.⁽⁷⁾ Also on May 4, Pender County Commissioners voted to resume reappraisals of properties, reversing an April vote to suspend reappraisals.⁽⁸⁾ Wake⁽⁹⁾, Buncombe⁽¹⁰⁾, and Orange Counties⁽¹¹⁾ are also considering budgets that raise property taxes.

However, on May 5 at the Board of Commissioners work session, Wake Forest Town Manager Kip Padgett, while presenting the Proposed FY 2026-2027 Annual Operating Budget, announced that the Town is not seeking to raise municipal property taxes this coming year, even though ad valorem taxes consist of 36% of Town revenues.

Additionally, the Municipal Service District tax rate will reduce by 1¢ down to \$0.13. Wake Forest Power rates will remain the same (due to the increasing customer base providing additional revenue). Stormwater and Vehicle Fees will, likewise, not see any changes at this time. Instead, the Town seeks to raise the waste removal fee by \$1 to \$25/annually.

Near the end of his presentation, Padgett stated that while the proposed budget does include some cuts, due to inflation “in 2029 and 2030 we’re looking at a deficit. ... Depending on what happens in the General Assembly, the property tax issues, that could change drastically one way or another, so we need to keep an eye on that as we move forward.” Padgett also noted that Wake Forest is running out of available land to develop. He predicted “a switch to redevelopment” and stricter budgets in the near future due to diminishing tax base revenues accrued by additional residents.

To fund future Town projects, Wake Forest voters will see on their 2026 and 2028 ballots Bond Referendums requesting permission to raise taxes.(12)

Should H1089 pass the House and Senate, in November North Carolinians will be asked on their ballot to approve or deny the amendment to the State Constitution.

While counties and municipalities across the state continue to raise taxes on their residents, the General Assembly and the Town of Wake Forest work to keep income in the hands of the people who earned it.

In a letter to Peter Augustus Jay on February 5, 1821, Founding Father and first Supreme Court Chief Justice John Jay wrote something of a similar sentiment; *“If the affairs of the City should be, and should long remain under the Direction and management of Persons who neither have much Interest in the Rights of Property, nor in the amount of public Expenditures, those Proprietors who are deeply interested in both, will be exposed to partial and heavy Burthens— The Freeholders would do well to unite in concerting, and in vigorously prosecuting, proper measures to obviate the Evils alluded to— unanimity Prudence and Perseverance usually give ultimate success to fair and reasonable applications for Relief from oppressive Grievances.”*(13)

I encourage all Wake Forest residents to watch the Board of Commissioners meetings either in person or online, and engage the issues. There will be a public hearing on the Proposed FY

2026-2027 Annual Operating Budget at the next Wake Forest Board of Commissioners regular meeting on May 19, 2026. If you have questions, contact the Commissioners, or you can sign up to speak here: <https://www.cognitoforms.com/TownOfWakeForest3/BoardOfCommissionersSignUpToSpeakForm>

1. Joseph Harris, “How Much is Too Much?” John Locke Foundation, 16 March 2026
2. Destin Hall, “House Select Committee on Property Tax Reduction and Reform to the North Carolina House of Representatives,” Office of the Speaker, 16 December 2025
3. “REPORT TO THE 2026 SESSION of the 2025 GENERAL ASSEMBLY OF NORTH CAROLINA,” House Select Committee on Property Tax Reduction and Reform, 1 May 2026
4. Const. Amend. Property Tax Levy Limit, House Bill 1089, North Carolina General Assembly, 2025-2026 Session
5. Property Tax Reappraisal Moratorium, Senate Bill 889, North Carolina General Assembly, 2025-2026 Session
6. Phil Berger, “Sen. Berger Files Property Tax Revaluation Moratorium,” Senator Berger Press Shop, 28 April 2026
7. Columbus County Commissioners, “Meeting 05-04-2026 (Part 3C),” Youtube, 4 May 2026
8. Pender County Commissioners, “Board of County Commissioners Meeting - May 4, 2026,” Pender County, 4 May 2026
9. “Manager Ellis recommends \$2.28 billion budget for Fiscal Year 2026,” Wake County, May 2026
10. “Buncombe County Board of Commissioners Review County Manager’s Recommended Budget,” Buncombe County, 5 May 2026
11. “Orange County Manager Myren Presents FY 2026-27 Recommended Budget,” Orange County, 5 May 2026
12. Kip Padgett, “Proposed FY 2026-2027 Annual Operating Budget,” Town of Wake Forest, 5 May 2026

13. The Selected Papers of John Jay, vol. 7, 1799–1829, ed. Elizabeth M. Nuxoll.
Charlottesville: University of Virginia Press, 2021, pp. 488–490.]