

N.C. Law on Annexation

Authority to Annex

North Carolina law permits towns to expand boundaries to keep pace with growth more easily than towns in most states. The state's principal annexation statute permits a town to expand its borders by simple action of the town's elected officials. See N.C. [annexation procedure](http://www.ncleg.net/Statutes/GeneralStatutes/HTML/BySection/Chapter_160A/GS_160A-37.html).
http://www.ncleg.net/Statutes/GeneralStatutes/HTML/BySection/Chapter_160A/GS_160A-37.html

The law does require that the annexed area be generally developed in urban uses and that the town provide basic services within a reasonable time. If an area is urban in character and the town can provide services, state policy is that the area ought to be part of the town.

Rationale

State policy declares that sound urban development is essential to economic development and that municipalities are created to provide services essential for such development.

See [160A-45](http://www.ncleg.net/Statutes/GeneralStatutes/HTML/BySection/Chapter_160A/GS_160A-45.html) of N.C. General Statutes for state policy on annexation.
http://www.ncleg.net/Statutes/GeneralStatutes/HTML/BySection/Chapter_160A/GS_160A-45.html

General Criteria

To qualify for involuntary annexation, an area, in general, must:

- Be contiguous to the current corporate limits
- Have at least one-eighth of the total boundary contiguous to the current corporate limits
- Not be located within another incorporated municipality
- Be developed for urban purposes

Defining "Developed for Urban Purposes"

At least part of the area must be developed for urban purposes when the annexation report is approved. An area is developed for urban purposes if it meets **any one** of the following:

- Population Test - Total population equaling at least 2.3 persons per acre
- Population & Subdivision Test - Total population equaling 1 person per acre if:
 - At least 60 percent of the acreage is in lots and tracts of 3 acres or less
 - At least 65 percent of the total number of lots and tracts are 1 acre or smaller
- Use & Subdivision Test - At least 60 percent of lots and tracts are used for residential, commercial, industrial, institutional or governmental purposes and at least 60 percent of the total acreage - not counting commercial, industrial, governmental or institutional uses - is in lots and tracts of 3 acres or less

See [160A-48](http://www.ncleg.net/Statutes/GeneralStatutes/HTML/BySection/Chapter_160A/GS_160A-48.html) of N.C. General Statutes for more requirements and for definitions of "developed for urban purposes."
http://www.ncleg.net/Statutes/GeneralStatutes/HTML/BySection/Chapter_160A/GS_160A-48.html