House Engrossed

FILED

KEN BENNETT
SECRETARY OF STATE

State of Arizona
House of Representatives
Forty-ninth Legislature
Second Regular Session
2010

CHAPTER 96

HOUSE BILL 2507

AN ACT

AMENDING SECTION 42-13302, ARIZONA REVISED STATUTES; RELATING TO PROPERTY TAX VALUATION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

Be it enacted by the Legislature of the State of Arizona:

Section 1. Section 42-13302, Arizona Revised Statutes, is amended to read:

42-13302. Determining limited value in cases of omissions and changes

A. In the following circumstances the limited property value shall be established at a level or percentage of full cash value that is comparable to that of other properties of the same or similar use or classification:

1. ~~Land or improvements that were~~ PROPERTY THAT WAS erroneously totally OR PARTIALLY omitted from the property tax rolls in the preceding tax year.

2. Property for which a change in use has occurred since the preceding tax year.

3. Property that has been modified by construction, destruction or demolition since the preceding valuation year.

4. Property that has been split, subdivided or consolidated ~~between~~ FROM January 1 through September 30 of the valuation year, except for cases that result from an action initiated by a governmental entity~~, if the limited property values are established at a level or percentage of full cash value in the valuation year that is comparable to that of other properties and it results in an increase that is more than the limited property value previously determined in the valuation year, the limited values shall not change for the valuation year~~.

B. In the case of property that is split or consolidated after September 30 through December 31 of the valuation year, except for cases that result from an action initiated by a governmental entity, the total limited property value of the new parcel or parcels shall be the same as the total limited property value of the original parcel or parcels. ~~For cases that result from an action initiated from a governmental entity, if the limited property values are established at a level or percentage of full cash value in the following valuation year that is comparable to that of other properties and it results in an increase that is more than the limited property value that would have been determined under section 42-13301, then the limited property value shall be determined pursuant to section 42-13301.~~ For the following valuation year, the limited property value shall be established at a level or percentage of full cash value that is comparable to that of other properties of the same or similar use or classification. The new parcel or parcels shall retain the same value-adding characteristics that applied to the original parcel before being split or consolidated, except as provided in subsection A, paragraph 3 of this section.

~~C. If it is determined that a parcel of property's value-adding characteristics or attributes that were in existence in a preceding valuation year have been previously partially omitted from or erroneously stated on the tax rolls to exempt the property from section 42-13301, the county assessor shall prepare a written statement of the full details relating to the~~

~~property, the omitted or erroneously stated characteristics, the difference in value that should be added to or subtracted from the limited property value and any other relevant information that the assessor may provide.~~

~~D. If a parcel of real property has multiple improvements and in tax year 1979 the assessor's records recorded more or less than all of the improvements, then on determining that the improvement exists the assessor shall treat the property as missed parcels in subsection A of this section and the entire parcel with all improvements is subject to revaluation pursuant to subsection A of this section.~~

C. IN THE CASE OF PROPERTY THAT WAS SPLIT, SUBDIVIDED OR CONSOLIDATED FROM JANUARY 1 THROUGH SEPTEMBER 30 OF THE VALUATION YEAR AS A RESULT OF AN ACTION INITIATED BY A GOVERNMENTAL ENTITY, THE LIMITED VALUE IS THE LOWER OF EITHER:

1. THE LEVEL OR PERCENTAGE OF FULL CASH VALUE THAT IS COMPARABLE TO THAT OF OTHER PROPERTIES OF THE SAME OR SIMILAR USE OR CLASSIFICATION.

2. THE TOTAL LIMITED VALUE FOR THE ORIGINAL PARCEL OR PARCELS AS DETERMINED UNDER SECTION 42-13301, AND IN THE FOLLOWING VALUATION YEAR, THE LIMITED PROPERTY VALUE SHALL BE ESTABLISHED PURSUANT TO SECTION 42-13301.

D. IN THE CASE OF PROPERTY THAT WAS SPLIT, SUBDIVIDED OR CONSOLIDATED AFTER SEPTEMBER 30 THROUGH DECEMBER 31 OF THE VALUATION YEAR AS A RESULT OF AN ACTION INITIATED BY A GOVERNMENTAL ENTITY, THE TOTAL LIMITED VALUE FOR THE RESULTING PARCEL OR PARCELS IS THE SAME AS THE TOTAL LIMITED VALUE FOR THE ORIGINAL PARCEL OR PARCELS AS DETERMINED UNDER SECTION 42-13301, AND IN THE FOLLOWING VALUATION YEAR, THE LIMITED PROPERTY VALUE SHALL BE ESTABLISHED AS THE LOWER OF EITHER:

1. THE LEVEL OR PERCENTAGE OF FULL CASH VALUE THAT IS COMPARABLE TO THAT OF OTHER PROPERTIES OF THE SAME OR SIMILAR USE OR CLASSIFICATION.

2. THE LIMITED PROPERTY VALUE ESTABLISHED PURSUANT TO SECTION 42-13301.

APPROVED BY THE GOVERNOR APRIL 20, 2010.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 21, 2010.

Passed the House March 3, 2010

by the following vote: 60 Ayes,

0 Nays, 0 Not Voting

Speaker of the House

Cheryl Laube

Chief Clerk of the House

Passed the Senate April 14, 2010

by the following vote: 30 Ayes,

0 Nays, 0 Not Voting

President of the Senate

Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill received by the Governor this

15 day of April, 2010

at 1:55 o'clock P. M.

Secretary to the Governor

Approved this 20th day of

April

at 5:26 o'clock P. M.

Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill received by the Secretary of State

this 21st day of April, 2010

at 11:06 o'clock a M.

Secretary of State

H.B. 2507