

Senate Engrossed

FILED

**KEN BENNETT
SECRETARY OF STATE**

State of Arizona
Senate
Fiftieth Legislature
Second Regular Session
2012

CHAPTER 182

SENATE BILL 1416

AN ACT

AMENDING SECTION 42-12152, ARIZONA REVISED STATUTES; RELATING TO AGRICULTURAL
PROPERTY TAX.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 42-12152, Arizona Revised Statutes, is amended to
3 read:

4 42-12152. Criteria for classification of property used for
5 agricultural purposes

6 A. Property is not eligible for classification as property used for
7 agricultural purposes unless it meets the following criteria:

8 1. The primary use of the property is as agricultural land and the
9 property has been in active production according to generally accepted
10 agricultural practices for at least ~~seven~~ THREE of the last ~~ten~~ FIVE years.
11 Property that has been in active production may be:

12 (a) Inactive for a period of not more than twelve months as a result
13 of acts of God.

14 (b) Inactive as a result of participation in:

15 (i) A federal farm program that allows voluntary land conserving use
16 acreage or acreage conservation, or both.

17 (ii) A scheduled crop rotation program.

18 (c) Inactive or partially inactive due to a temporary reduction in or
19 transfer of the available water supply or irrigation district water
20 allotments for agriculture use in the farm unit.

21 (d) Grazing land that is inactive or partially inactive due to reduced
22 carrying capacity or generally accepted range management practices.

23 2. There is a reasonable expectation of operating profit, exclusive of
24 land cost, from the agricultural use of the property.

25 3. If the property consists of noncontiguous parcels, the
26 noncontiguous parcels must be managed and operated on a unitary basis and
27 each parcel must make a functional contribution to the agricultural use of
28 the property.

29 B. If feedlot or dairy operations that are in active production are
30 moved to another property at which the operations are in active production,
31 the requirement that the property be in active production for at least ~~seven~~
32 THREE of the last ~~ten~~ FIVE years does not apply to the property to which the
33 operations are moved for the first ~~seven~~ THREE years after the operations are
34 moved.

35 C. THE REQUIREMENT CONTAINED IN SUBSECTION A, PARAGRAPH 2 OF THIS
36 SECTION SHALL BE SATISFIED IF THE OWNER FILES WITH THE ASSESSOR AN AFFIDAVIT
37 OF AGRICULTURAL USE, SIGNED BY THE OWNER ATTESTING THAT ALL INFORMATION IN
38 THE AFFIDAVIT IS TRUE AND THE PROPERTY IS ACTIVELY PRODUCING WITH AN
39 EXPECTATION OF PROFIT.

APPROVED BY THE GOVERNOR APRIL 4, 2012.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 5, 2012.

Passed the House March 27, 2012,

by the following vote: 56 Ayes,

1 Nays, 3 Not Voting

[Signature]
Speaker of the House

[Signature]
Chief Clerk of the House

Passed the Senate February 23, 2012,

by the following vote: 29 Ayes,

0 Nays, 1 Not Voting

[Signature]
President of the Senate

[Signature]
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill was received by the Governor this

2 day of April, 2012,

at 2:10 o'clock P M.

[Signature]
Secretary to the Governor

Approved this 4th day of

April, 2012

at 6:45 o'clock P. M.

[Signature]
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this 5th day of April, 2012,

at 8:11 o'clock a M.

[Signature]
Secretary of State

S.B. 1416