



STATE OF ARIZONA
OFFICE OF THE GOVERNOR

DOUGLAS A. DUCEY
GOVERNOR

EXECUTIVE OFFICE

April 9, 2019

The Honorable Katie Hobbs
Secretary of State
1700 W. Washington, 7th Floor
Phoenix, AZ 85007

Dear Secretary Hobbs:

I am transmitting to you the following bills from the Fifty-fourth Legislature, 1st Regular Session, which I signed on April 9th, 2019:

H.B. 2042 statute of limitations; income tax (Petersen)
H.B. 2095 agricultural property classification; water reduction (Cook)
H.B. 2109 county transportation excise tax. (Shope)
H.B. 2240 limitations of actions; dedicated property (Kern)
H.B. 2418 protected data; motor vehicle dealers (Campbell)
H.B. 2445 TPT; residential rentals; notice (Griffin)
S.B. 1091 budget stabilization fund; deposits (Mesnard)

Sincerely,

Douglas A. Ducey
Governor
State of Arizona

cc: Senate Secretary
Chief Clerk of the House of Representatives
Arizona News Service

Senate Engrossed House Bill

FILED
KATIE HOBBS
SECRETARY OF STATE

State of Arizona
House of Representatives
Fifty-fourth Legislature
First Regular Session
2019

CHAPTER 49
HOUSE BILL 2095

AN ACT

AMENDING SECTIONS 42-12152 AND 42-18056, ARIZONA REVISED STATUTES;
RELATING TO TAXATION.

(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
3 to read:

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

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 three of the last 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
13 result of acts of God.

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

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

17 (ii) A scheduled crop rotation program.

18 (c) Inactive or partially inactive due to a temporary OR PARTIAL
19 reduction in or transfer of the available water supply or irrigation
20 district water allotments for agriculture use in the farm unit. For land
21 within an irrigation district in a county with a population of less than
22 nine hundred thousand persons, the temporary OR PARTIAL reduction or
23 transfer may be verified by an official certification from the irrigation
24 district to the county assessor that confirms the reduction or transfer,
25 except that if that land is located in an active management area and the
26 land does not have an irrigation grandfathered groundwater right, the land
27 is not eligible as cropland. A certification for TEMPORARY OR partial
28 reduction is not valid for full inactivity of the farm unit for more than
29 one year.

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

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

35 3. If the property consists of noncontiguous parcels, the
36 noncontiguous parcels must be managed and operated on a unitary basis and
37 each parcel must make a functional contribution to the agricultural use of
38 the property.

39 B. If feedlot or dairy operations that are in active production are
40 moved to another property at which the operations are in active
41 production, the requirement that the property be in active production for
42 at least three of the last five years does not apply to the property to
43 which the operations are moved for the first three years after the
44 operations are moved.

1 C. The requirement ~~contained~~ in subsection A, paragraph 2 of this
2 section ~~shall be~~ IS satisfied if the owner files with the assessor an
3 affidavit of agricultural use, signed by the owner attesting that all
4 information in the affidavit is true and the property is actively
5 producing with an expectation of profit.

6 Sec. 2. Section 42-18056, Arizona Revised Statutes, is amended to
7 read:

8 42-18056. Partial payment of taxes; certificates of purchase;
9 delinquent taxes

10 A. At any time before either installment of the tax becomes
11 delinquent, the county treasurer shall accept a partial payment or
12 payments of the tax in an amount of at least ten percent of the
13 installment and in an amount of at least ~~ten dollars~~ \$10. The treasurer
14 shall credit the taxpayer with the payment, and if any part of the tax or
15 any installment remains unpaid at the date of delinquency, the delinquency
16 relates only to the amount remaining unpaid.

17 B. In accepting payments under subsection A of this section, the
18 county treasurer shall issue a receipt to the taxpayer, subject to section
19 42-18055, subsection C, stating that it covers a partial payment of taxes.

20 C. For all certificates of purchase sold during calendar year 2016
21 and afterwards for tax year 2014 and afterwards in a county with a
22 population of more than three million persons if no prior year
23 certificates of purchase are outstanding, the county treasurer shall
24 accept a partial payment in an amount equal to at least twenty-five
25 percent of the principal amount shown on the oldest remaining year of the
26 delinquency plus any accrued interest and fees due on the principal
27 payment amount.

28 D. In accepting payments under subsection C of this section, the
29 county treasurer shall issue a partial payment statement to the taxpayer
30 as provided by section 42-18154, subsection C.

31 E. Partial payments on delinquent taxes shall be impounded and
32 disbursed by the county treasurer as prescribed by section 42-18152,
33 subsection C, when the impounded monies are sufficient to fully redeem the
34 oldest outstanding certificate of purchase.

35 F. If no certificate of purchase is outstanding, the county
36 treasurer shall credit the taxpayer with the payment, and if any part of
37 the tax or any installment remains unpaid at the date of delinquency, the
38 delinquency relates only to the amount remaining unpaid.

39 G. NOTWITHSTANDING ANY OTHER LAW, A COUNTY TREASURER MAY ENTER INTO
40 A PAYMENT PLAN AGREEMENT WITH A TAXPAYER FOR A PERIOD OF UP TO THIRTY-SIX
41 MONTHS FOR PAYING THE TAXPAYER'S DELINQUENT BUSINESS PERSONAL PROPERTY
42 TAXES OF MORE THAN \$1,000. THE COUNTY TREASURER MAY CHARGE A FEE OF NOT
43 MORE THAN \$150 FOR ADMINISTRATIVE COSTS ASSOCIATED WITH PROCESSING A
44 PAYMENT PLAN AGREEMENT.

Passed the House February 14, 20 19

Passed the Senate March 26, 20 19

by the following vote: 60 Ayes,

by the following vote: 30 Ayes,

0 Nays, 0 Not Voting

0 Nays, 0 Not Voting

MR. [Signature]
Speaker of the House

[Signature]
President of the Senate

[Signature]
Chief Clerk of the House

[Signature]
Secretary of the Senate

Pro Tempore

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill received by the Governor this

_____ day of _____, 20____

at _____ o'clock _____ M.

Secretary to the Governor

Approved this _____ day of

at _____ o'clock _____ M.

Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill received by the Secretary of State

this _____ day of _____, 20____

at _____ o'clock _____ M.

Secretary of State

H.B. 2095

HOUSE CONCURS IN SENATE
AMENDMENTS AND FINAL PASSAGE

April 3, 2019,

by the following vote: 59 Ayes,

0 Nays, 1 Not Voting

[Signature]
Speaker of the House

[Signature]
Chief Clerk of the House

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill was received by the Governor this
3rd day of April, 2019,

at 3:57 o'clock P M.

[Signature]
Secretary to the Governor

Approved this 9th day of

April, 2019,

at 1:26 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 9 day of April, 2019,

at 5:24 o'clock P M.

[Signature]
Secretary of State

H.B. 2095