

February 10, 1999

H 54. MAKE FARMLAND USE VALUE ACCURATE. TO UPDATE THE METHOD FOR DETERMINING THE PRESENT-USE VALUE OF AGRICULTURAL AND HORTICULTURAL LAND TO MORE ACCURATELY REFLECT ITS VALUE AS FARMLAND. Revises GS 105-277.2(5) to define present-use value as follows: the value of agricultural or horticultural land when cash rents are capitalized at 5%, and the value of forestland when expected net income is capitalized at 9%. Rewrites GS 105-289(a)(5) to require Dept. of Revenue to give to each assessor a manual establishing the following: the cash rents for agricultural and horticultural land, the expected net income for forestland, and a value for nonproductive land. Effective for schedules of values, standards, and rules adopted pursuant to GS 105-317 for tax years beginning on or after July 1, 2001.

Intro. by Neely, Cansler, Capps, Gray, Hill, Ramsey, and Wilson of Mecklenburg.

Ref. to Finance

GS 105