

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

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SENATE BILL 380
PROPOSED COMMITTEE SUBSTITUTE S380-PCS55290-SB-12

Short Title: ETJ/Definition of Bona Fide Farm Purposes.

(Public)

Sponsors:

Referred to:

March 21, 2011

1 A BILL TO BE ENTITLED
2 AN ACT TO CLARIFY THE DEFINITION OF "BONA FIDE FARM PURPOSES" AND TO
3 EXEMPT PROPERTY USED FOR BONA FIDE FARM PURPOSES FROM
4 MUNICIPAL ZONING AND BUILDING CODE ENFORCEMENT.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** G.S. 153A-340(b)(2) reads as rewritten:

7 "(b) (2) Except as provided in G.S. 106-743.4 for farms that are subject to a
8 conservation agreement under G.S. 106-743.2, bona fide farm purposes
9 include the production and activities relating or incidental to the production
10 of crops, fruits, vegetables, ornamental and flowering plants, dairy,
11 livestock, poultry, and all other forms of ~~agricultural products~~ agriculture as
12 defined in ~~G.S. 106-581.1~~ having a domestic or foreign market.
13 G.S. 106-581.1. For purposes of this subdivision, the production of a
14 nonfarm product that the Department of Agriculture and Consumer Services
15 recognizes as a 'Goodness Grows in North Carolina' ~~product~~ product, a 'Got
16 To Be NC' product, or both, that is produced on a farm subject to a
17 conservation agreement under G.S. 106-743.2 is a bona fide farm purpose."

18 **SECTION 2.** G.S. 160A-360 is amended by adding a new subsection to read:

19 "(k) As used in this subsection, "bona fide farm purposes" is as described in
20 G.S. 153A-340. As used in this subsection, "property" means a single tract of property or an
21 identifiable portion of a single tract. Property that is located in a municipality's extraterritorial
22 jurisdiction and that is used for bona fide farm purposes is exempt from compliance with the
23 municipality's zoning authority and building code enforcement under this Article. Property that
24 is located in a municipality's extraterritorial jurisdiction and that ceases to be used for bona fide
25 farm purposes shall become subject to the exercise of all powers granted under this Article.
26 This subsection shall not limit a municipality's authority to regulate the subdivision,
27 development, or use of property for purposes that are not bona fide farm purposes. For
28 purposes of this subsection, any of the following shall constitute sufficient evidence that
29 property is being used for bona fide farm purposes:

- 30 (1) A farm sales tax exemption certificate issued by the Department of Revenue.
31 (2) A copy of the property tax listing showing that the property is eligible for
32 participation in the present use value program pursuant to G.S. 105-277.3.
33 (3) A copy of the farm owner or operator's Schedule F from the owner or
34 operator's most recent federal income tax return.



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- 1 (4) A forest management plan.
- 2 (5) A Farm Identification Number issued by the United States Department of
- 3 Agriculture Farm Service Agency."
- 4 **SECTION 3.** This act is effective when it becomes law.