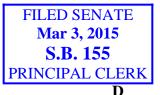
GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2015



SENATE DRS45063-MC-16 (01/07)

Short Title:	Reduce PUV Entry Time for Farmland.	(Public)
Sponsors:	Senator Bingham (Primary Sponsor).	
Referred to:		

A BILL TO BE ENTITLED

2 AN ACT TO FACILITATE FARMLAND ENTRY INTO THE PRESENT-USE VALUE 3 PROGRAM.

4 The General Assembly of North Carolina enacts:

SECTION 1. G.S. 105-277.3 reads as rewritten:

6 "§ 105-277.3. Agricultural, horticultural, and forestland – Classifications.

(a) Classes Defined. – The following classes of property are designated special classes
of property under authority of Section 2(2) of Article V of the North Carolina Constitution and
must be appraised, assessed, and taxed as provided in G.S. 105-277.2 through G.S. 105-277.7.

10 Agricultural land. - Individually owned agricultural land consisting of one (1)11 or more tracts, one of which satisfies the requirements of this subdivision. 12 For agricultural land used as a farm for aquatic species, as defined in G.S. 106-758, the tract must meet the income requirement for agricultural 13 land and must consist of at least five acres in actual production or produce at 14 15 least 20,000 pounds of aquatic species for commercial sale annually, regardless of acreage. For all other agricultural land, the tract must meet the 16 17 income requirement for agricultural land and must consist of at least 10 acres 18 that are in actual production. Land in actual production includes land under 19 improvements used in the commercial production or growing of crops, 20 plants, or animals.

> To meet the income requirement, agricultural land must, must either (i) for the three years preceding January 1 of the year for which the benefit of this section is claimed, have produced an average gross income of at least one thousand dollars (\$1,000). (\$1,000) or (ii) for the year preceding January 1 of the year for which the benefit of this section is claimed have produced a gross income of at least one thousand dollars (\$1,000). Gross income includes income from the sale of the agricultural products produced from the land, any payments received under a governmental soil conservation or land retirement program, and the amount paid to the taxpayer during the taxable year pursuant to P.L. 108-357, Title VI, Fair and Equitable Tobacco Reform Act of 2004.

32 (2) Horticultural land. – Individually owned horticultural land consisting of one
33 or more tracts, one of which consists of at least five acres that are in actual
34 production and that, for the three years preceding January 1 of the year for
35 which the benefit of this section is claimed, have has met the applicable
36 minimum gross income requirement. Land in actual production includes land



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	under improvements used in the commercial production or growing of fruits
	or vegetables or nursery or floral products. Land that has been used to
	produce evergreens intended for use as Christmas trees must have met the
	minimum gross income requirements established by the Department of
	Revenue for the land. All other horticultural land must have produced either
	(i) for the last three years preceding January 1 of the year for which the
	benefit of this section is claimed an average gross income of at least one
	thousand dollars (\$1,000). (\$1,000) or (ii) for the year preceding January
	of the year for which the benefit of this section is claimed a gross income of
	at least one thousand dollars (\$1,000). Gross income includes income from
	the sale of the horticultural products produced from the land and any
	payments received under a governmental soil conservation or land
	retirement program.
(3)	Forestland. – Individually owned forestland consisting of one or more tracts
	one of which consists of at least 20 acres that are in actual production and
	are not included in a farm unit.
(b) In	ividual Ownership Requirements. – In order to come within a classification
	ubsection (a) of this section, land owned by an individual must also satisfy one of
the following	
(1)	
(2)	It has been owned by the current owner or a relative of the current owner for
	the four years year preceding January 1 of the year for which the benefit of
	this section is claimed.
(3)	At the time of transfer to the current owner, it qualified for classification in
	the hands of a business entity or trust that transferred the land to the curren
	owner who was a member of the business entity or a beneficiary of the trust
	as appropriate.
"	us uppropriate.
SF	CTION 2. G.S. 105-320 reads as rewritten:
	ax receipts; preparation.
	taxing unit shall adopt a tax receipt form until it has been approved by the
	Revenue, and no tax receipt form shall be approved unless it shows at least the
following info	
(1)	Repealed by Session Laws 2014-3, s. 14.20(b), effective May 29, 2014.
(1)	
<u> </u>	agricultural, horticultural, and forestland under G.S. 105-277.3 and
	<u>G.S. 105-277.4.</u>
(b) In	tead of being shown on the tax receipt, the information required in subdivision
. ,	subsection (a) may be shown on a separate sheet furnished to the affected
taxpayers.	
"	
SE	CTION 3. This act is effective for taxes imposed for taxable years beginning or