

REFERENCE TITLE: **property tax; golf courses; valuation**

State of Arizona
Senate
Fifty-sixth Legislature
Second Regular Session
2024

SB 1095

Introduced by
Senator Mesnard

AN ACT

AMENDING SECTION 42-13154, ARIZONA REVISED STATUTES; RELATING TO VALUATION OF GOLF COURSES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 42-13154, Arizona Revised Statutes, is amended
3 to read:

4 42-13154. Covenant not to convert golf course to another use;
5 notice; violation; penalty; definition

6 A. As a condition for valuation under this article, the owner of a
7 golf course shall record a deed restriction with the county recorder and
8 file a copy of the restriction with the county assessor, **REQUIRING AND**
9 restricting the property to use as a golf course for at least ten
10 years. The deed restriction must be refiled as necessary, **INCLUDING WHEN**
11 **THE PROPERTY IS SPLIT OR COMBINED**, to ensure that the deed restriction
12 always applies for at least ten years.

13 B. The valuation of a golf course under this ~~section~~ **ARTICLE**
14 constitutes a covenant between the county assessor and the owner of the
15 golf course that the use of the property will remain unchanged for the
16 duration of the deed restriction.

17 C. The **COUNTY** assessor shall maintain a record of the value of the
18 property determined under this article and the value of the property if it
19 had not been determined under this article. The **COUNTY** assessor shall
20 maintain the record for at least ten years for use in computing the
21 penalty under subsection ~~D~~ **E** if the property is converted to a different
22 use in violation of the covenant.

23 D. If **ANY PART OF** the property is converted to a different use in
24 violation of the covenant, **THE OWNER OF THE GOLF COURSE MUST NOTIFY THE**
25 **COUNTY ASSESSOR PERSONALLY, ELECTRONICALLY OR BY CERTIFIED MAIL WITHIN**
26 **THIRTY DAYS AFTER THE PROPERTY IS CONVERTED TO A DIFFERENT USE.**

27 E. **ON RECEIPT OF THE OWNER OF THE GOLF COURSE'S NOTICE PURSUANT TO**
28 **SUBSECTION D OF THIS SECTION OR THE COUNTY ASSESSOR DISCOVERING THAT ANY**
29 **PART OF THE PROPERTY HAS BEEN CONVERTED TO A DIFFERENT USE**, the **COUNTY**
30 assessor shall add to the tax levied against the property on the next tax
31 roll a penalty equal to the difference between the total amount of
32 property taxes that would have been levied on the property for the
33 preceding ten years or the period of time the property was valued under
34 this ~~section~~ **ARTICLE**, whichever period is shorter, if the property had not
35 been valued under this ~~section~~ **ARTICLE** and the property taxes that were
36 actually paid for the same period. The penalty due under this subsection
37 shall be paid before completion of the next property tax roll and is
38 enforceable and subject to the same penalties and interest as if the
39 penalty were a tax levied against the property.

40 F. **IF THE COUNTY ASSESSOR ACCEPTS ELECTRONIC FILINGS OR NOTICES,**
41 **THE COUNTY ASSESSOR SHALL PROVIDE AN ELECTRONIC ACKNOWLEDGMENT OF RECEIPT.**

42 G. **FOR THE PURPOSES OF THIS SECTION, "CONVERTED TO A DIFFERENT USE"**
43 **MEANS THE TERMS OF THIS ARTICLE HAVE BEEN VIOLATED OR THE DEED RESTRICTION**
44 **HAS BEEN REMOVED, HAS EXPIRED WITHOUT THE REILING OF A REPLACEMENT**
45 **RESTRICTION OR HAS BEEN VIOLATED.**