

Senate Engrossed

property tax; golf courses; valuation

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

SENATE BILL 1095

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 **AS A GOLF COURSE** will remain
16 unchanged for the duration of the deed restriction **IN ORDER TO RECEIVE**
17 **VALUATION AS A GOLF COURSE AND TO AVOID THE PENALTY PRESCRIBED IN**
18 **SUBSECTION E OF THIS SECTION FOR CONVERTING THE PROPERTY TO A DIFFERENT**
19 **USE.**

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

26 D. If **ANY PART OF** the property is converted to a different use in
27 violation of the covenant, **THE OWNER OF THE GOLF COURSE MUST SUBMIT**
28 **NOTIFICATION TO THE COUNTY ASSESSOR IN PERSON, ELECTRONICALLY OR BY**
29 **CERTIFIED MAIL WITHIN THIRTY DAYS AFTER THE PROPERTY IS CONVERTED TO A**
30 **DIFFERENT USE.**

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

1 F. IF THE COUNTY ASSESSOR ACCEPTS ELECTRONIC FILINGS OR NOTICES,
2 THE COUNTY ASSESSOR SHALL PROVIDE AN ELECTRONIC ACKNOWLEDGMENT OF RECEIPT.
3 G. FOR THE PURPOSES OF THIS SECTION, "CONVERTED TO A DIFFERENT USE"
4 MEANS THE TERMS OF THIS ARTICLE HAVE BEEN VIOLATED OR THE DEED RESTRICTION
5 HAS BEEN REMOVED, HAS EXPIRED WITHOUT THE REFILEING OF A REPLACEMENT
6 RESTRICTION OR HAS BEEN VIOLATED.