

NAVAJO COUNTY ASSESSOR AGRICULTURAL LAND POLICIES

Eligibility

To be eligible for agricultural classification, property must meet specific criteria in the following areas:

- **Use**
- **Expectation of Profit**
- **Functional Contribution**
- **Filing Requirements**

1. Use

The primary use of the land must be agricultural. Ownership alone does not qualify property for agricultural classification.

2. Expectation of Profit

- There must be a reasonable expectation of operating profit, exclusive of land cost, from the agricultural use of the property.

3. Functional Contribution

If the property is non-contiguous, the non-contiguous parcel must be managed and operated on a unitary basis and each parcel must make a functional contribution to the agricultural use of the property.

In general, non-contiguous parcels must be fenced, have an independent water source and have ingress and egress.

4. Filing Requirements

The owner or the owner's designated agent must file a complete Agricultural Land Use Application before the property may be classified as agricultural. This form must be filed with the Assessor's Office on the following occasions:

- a. Applying for the first time on a piece of property.
- b. Newly created parcels (parcels either split or combined) regardless of the parent parcel's status.
- c. If the parcel changes ownership.
- d. All properties listed on the application will require a field inspection to verify use.

****** If all or part of the property ceases to qualify as agricultural property, the person who owns the property at the time of change shall notify the Assessor within sixty (60) days after the change (A.R.S. 42-12156)**

Penalties

The penalties for filing false information or failing to notify of a change in use include:

1. The property shall be reclassified immediately as being used for a non- agricultural use and shall be valued at its non- agricultural full cash value.

2. The owner is liable for the additional taxes on the difference between the non- agricultural full cash value and the full cash value of the property for all the tax years in which the property was classified based on the false information.
3. The owner shall also pay a penalty equal to twenty-five (25) percent of the additional taxes.

Grazing Land:

Definition per A.R.S. 42-12151 & 42-12152

1. Grazing land with a minimum carrying capacity of forty (40) animal units, or approx (3600 acres of natural grazing) containing an economically feasible number of animal units
2. There must be a reasonable expectation of operating profit, exclusive of land cost, from the agricultural use of the property.
3. If the property is non-contiguous parcels, the noncontiguous parcels must be managed and operated on a unitary basis and each parcel must make a functional contribution to the agricultural use of the property.
4. The primary use of the property is as agricultural land and the property has been in active production according to generally accepted agricultural practices for at least three of the last five years.

Office Policy

1. No leased parcel under 20 acres shall be classified as grazing (unless it is a water supply or contiguous with other parcels used for grazing purposes which constitutes a total of 20 acres or more). The contiguous parcels must be deeded in the exact same ownership. No leased subdivided lot shall be classified as agricultural. A smaller parcel does not contribute to the overall operation.
2. A copy of all leases must be on file with our office and be accompanied by a Statement of Agricultural Land Lease and the functional contribution statement from the producer.
3. Owner must provide a non-use statement to verify leased property does not carry personal livestock.
4. No producer (rancher) owned non-contiguous parcel under 5 acres (unless water supply) shall be classified as agricultural grazing. A small non-contiguous parcel does not contribute to the overall operation
5. A newly acquired producer owned property that would have otherwise qualified may receive agricultural status if the applicant will provide documentation of a feasible business plan for period of three out of the next five years.
6. The producer must supply a brand certificate.

Field Crops:

(Dry Farms, alfalfa, wheat, barley ect.)

Definition per A.R.S. 42.12151

1. Cropland in the aggregate of at least twenty acres.
2. There must be a reasonable expectation of operating profit, exclusive of land cost, from the agricultural use of the property.
3. If the property is non-contiguous parcels, the noncontiguous parcels must be managed and operated on a unitary basis and each parcel must make a functional contribution to the agricultural use of the property.
4. The primary use of the property is as agricultural land and the property has been in active production according to generally accepted agricultural practices for at least three of the last five years.

Office Policy:

1. No leased parcels less than ten (10) acres will be classified as agricultural field crops (unless contiguous with other planted parcels which constitutes a total of 10 acres or more).
2. A copy of all leases must be on file with our office and be accompanied by an agricultural lease statement.
3. No producer (farmer) owned non-contiguous parcel under the size of 2.5 acres should be classified as agricultural field crop.
4. A newly acquired producer owned property that would have otherwise qualified may receive agricultural status if the applicant will provide documentation of a feasible business plan for period of three out of the next five years.

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**Permanent Crops:
(Irrigated Pasture)**

Definition per A.R.S. 42.12151

1. Aggregate ten or more gross acres of permanent crops.
2. There must be a reasonable expectation of operating profit, exclusive of land cost, from the agricultural use of the property.
3. If the property is non-contiguous parcels, the noncontiguous parcels must be managed and operated on a unitary basis and each parcel must make a functional contribution to the agricultural use of the property.
4. The primary use of the property is as agricultural land and the property has been in active production according to generally accepted agricultural practices for at least three of the last five years.

Office Policy:

1. No leased parcels less than five (5) acres will be classified as agricultural permanent crops.
2. A copy of all leases must be on file with our office and be accompanied by an agricultural lease statement.
3. No producer (farmer) owned non-contiguous parcel under the size of 2.5 acres shall be classified as an agricultural field crop.
4. A newly acquired producer owned property that would have otherwise qualified may receive agricultural status if the applicant will provide documentation of a feasible business plan for period of three out of the next five years.
5. A newly acquired producer owned property that would have otherwise qualified may receive agricultural status if the applicant will provide documentation of a feasible business plan for the period of three of the next five years.
6. The producer must supply an updated brand certificate.

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