CHAPTER 105

ARTICLE 12 - PROPERTY SUBJECT TO TAXATION

N.C.G.S. § 105-277.4.

Agricultural, horticultural and forestland – Application; appraisal at use value; notice and appeal; deferred taxes.

SOURCE	LAST AMENDMENT IN THIS TEXT	RETRIEVED	SOURCE FINGERPRINT
General Statutes of North Carolina, as published by the General Assembly	S.L. 2025-25, s. 29(5) — twenty-sixth act in the lineage	21 September 2026, 06:16 UTC	4100108ad76a1b40217775d8 - 1d7e92237140828629d9e0c6 - a9bfafde784e536e

§ 105-277.4(a)

Application. - Property coming within one of the classes defined in G.S. 105-277.3 is eligible for taxation on the basis of the value of the property in its present use if a timely and proper application is filed with the assessor of the county in which the property is located. The application must clearly show that the property comes within one of the classes and must also contain any other relevant information required by the assessor to properly appraise the property at its present-use value. An initial application must be filed during the regular listing period of the year for which the benefit of this classification is first claimed, or within 30 days of the date shown on a notice of a change in valuation made pursuant to G.S. 105-286 or G.S. 105-287. A new application is not required to be submitted unless the property is transferred or becomes ineligible for use-value appraisal because of a change in use or acreage. An application required due to transfer of the land may be submitted at any time during the calendar year but must be submitted within 60 days of the date of the property's transfer.

§ 105-277.4(a1)

Late Application. - Upon a showing of good cause by the applicant for failure to make a timely application as required by subsection (a) of this section, an application may be approved by the board of equalization and review or, if that board is not in session, by the board of county commissioners. An untimely application approved under this subsection applies only to property taxes levied by the county or municipality in the calendar year in which the untimely application is filed. Decisions of the county board may be appealed to the Property Tax Commission.

§ 105-277.4(b)

Appraisal at Present-use Value. - Upon receipt of a properly executed application, the assessor must appraise the property at its present-use value as established in the schedule prepared pursuant to G.S. 105-317. In appraising the property at its present-use value, the assessor must appraise the improvements located on qualifying land according to the schedules and standards used in appraising other similar improvements in the county. If all or any part of a qualifying tract of land is located within the limits of an incorporated city or town, or is property annexed subject to G.S. 160A-37(f1) or G.S. 160A-49(f1), the assessor must furnish a copy of the property record showing both the present-use appraisal and the valuation upon which the property would have been taxed in the absence of this classification to the collector of the city or town. The assessor must also notify the tax collector of any changes in the appraisals or in the eligibility of the property for the benefit of this classification. Upon a request for a certification pursuant to G.S. 160A-37(f1) or G.S.160A-49(f1), or any change in the certification, the assessor for the county where the land subject to the annexation is located must, within 30 days, determine if the land meets the requirements of G.S. 160A-37(f1)(2) or G.S. 160A-49(f1)(2) and report the results of its findings to the city.

§ 105-277.4(b1)

Notice and Appeal. - If the assessor determines that the property loses its eligibility for present-use value classification for a reason other than failure to file a timely application required due to transfer of the land, the assessor shall provide written notice of the decision as required by G.S. 105-296(i). The notice shall include the property's tax identification number, the specific reason for the disqualification, and the date of the decision. Decisions of the assessor regarding the qualification or appraisal of property under this section may be appealed to the county board of equalization and review or, if that board is not in session, to the board of county commissioners. An appeal must be made within 60 days after date of the written notice of the decision of the assessor. If an owner submits additional information to the assessor pursuant to G.S. 105-296(j), the appeal must be made within 60 days after the assessor's decision based on the additional information. Decisions of the county board may be appealed to the Property Tax Commission.

A new appeal to a decision of the assessor regarding the disqualification of property for which notice was received is not required to be submitted for subsequent tax years while the appeal of that disqualifying event is outstanding. When a property's present-use value classification is reinstated upon appeal of the disqualifying event, it is reinstated retroactive to the date the classification was revoked, as provided under G.S. 105-296(j).

If, while an assessor's decision that a property has lost its eligibility for present-use value classification is under appeal to the county board or to the Property Tax Commission, the assessor determines that the property is no longer eligible for present-use value classification because of an additional disqualifying event independent of the one that is the basis of the disqualification under appeal, the assessor shall follow the notice and appeal procedure set forth in this subsection with regard to the subsequent disqualification.

§ 105-277.4(c) Deferred Taxes. - Land meeting the conditions for classification under G.S. 105-277.3 must be taxed on the basis of the value of the land for its present use. The difference between the taxes due on the present-use basis and the taxes that would have been payable in the absence of this classification, together with any interest, penalties, or costs that may accrue thereon, are a lien on the real property of the taxpayer as provided in G.S. 105-355(a). The difference in taxes must be carried forward in the records of the taxing unit or units as deferred taxes. The deferred taxes for the preceding three fiscal years are due and payable in accordance with G.S. 105-277.1F when the property loses its eligibility for deferral as a result of a disqualifying event. A disqualifying event occurs when the land fails to meet any condition or requirement for classification or when an application is not approved.

§ 105-277.4(d) Set Exception. - Notwithstanding the provisions of subsection (c) of this section, if property loses its eligibility for present use value classification solely due to a change in income caused by enrollment of the property in the federal conservation reserve program established under 16 U.S.C. Chapter 58, then no deferred taxes are due and the lien for the deferred taxes is extinguished.

§ 105-277.4(d1) Variable Exception. - Notwithstanding the provisions of subsection (c) of this section, if property loses its eligibility for present-use value classification because the property is conveyed to a nonprofit organization and qualifies for exclusion from the tax base pursuant to G.S. 105-275(12) or G.S. 105-275(29) or to the State, a political subdivision of the State, or the United States, then deferred taxes are due as follows:

(1) If the property is conveyed at or below present-use value, then no deferred taxes are due, and the lien for the deferred taxes is extinguished.

(2) If the property is conveyed for more than present-use value, then a portion of the deferred taxes for the preceding three fiscal years is due and payable in accordance with G.S. 105-277.1F. The portion due is equal to the lesser of the amount of the deferred taxes or the deferred taxes multiplied by a fraction, the numerator of which is the sale price of the property minus the present-use value of the property and the denominator of which is the true value of the property minus the present-use value of the property.

§ 105-277.4(e) Repealed by Session Laws 1997-270, s. 3, effective July 3, 1997.

§ 105-277.4(f) The Department shall publish a present-use value program guide annually and make the guide available electronically on its website. When making decisions regarding the qualifications or appraisal of property under this section, the assessor shall adhere to the Department's present-use value program guide.

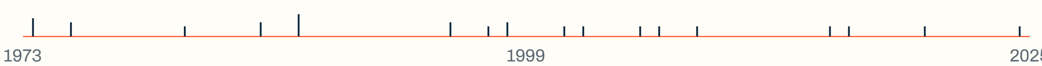
END OF SECTION TEXT

APPARATUS FOLLOWS — DERIVED, NOT ENACTED

APPARATUS I
26 ACTS

Amendment lineage

The State prints this history as a single parenthetical at the foot of the section. It is reproduced verbatim in the colophon and unpacked below in order of enactment.



TICK HEIGHT = ACTS IN THAT YEAR DASHED = RECODIFICATION, NOT AMENDMENT

№	YEAR	ACT	CHARACTER
01	1973	c. 709, s. 1	ENACTED
02	1973	c. 905	AMENDED
03	1973	c. 906, ss. 1, 2	AMENDED
04	1975	c. 62	AMENDED
05	1975	c. 746, ss. 3-7	AMENDED
06	1981	c. 835	AMENDED
07	1985	c. 518, s. 1	AMENDED
08	1985	c. 667, ss. 5, 6	AMENDED
09	1987	c. 45, s. 1	AMENDED

10	1987	c. 295, s. 5	AMENDED
11	1987	c. 698, s. 6	AMENDED
12	1987	1987 (Reg. Sess., 1988), c. 1044, s. 13.2	AMENDED
13	1995	c. 443, s. 4	AMENDED
14	1995	c. 454, s. 3	AMENDED
15	1997	S.L. 1997-270, s. 3	AMENDED
16	1998	S.L. 1998-98, s. 23	AMENDED
17	1998	S.L. 1998-150, s. 1	AMENDED
18	2001	S.L. 2001-499, s. 2	AMENDED
19	2002	S.L. 2002-184, s. 3	AMENDED
20	2005	S.L. 2005-313, s. 4	AMENDED
21	2006	S.L. 2006-30, s. 4	AMENDED
22	2008	S.L. 2008-35, s. 2.3	AMENDED
23	2015	S.L. 2015-263, s. 12(b)	AMENDED
24	2016	S.L. 2016-76, s. 1	AMENDED
25	2020	S.L. 2020-18, s. 8	AMENDED
26	2025	S.L. 2025-25, s. 29(5)	AMENDED

APPARATUS II
15 AUTHORITIES

Authorities referenced

Every G.S. cross-reference appearing in the text of this section, in order of first appearance. Nothing is characterized; the operative language is quoted from the section itself.

REFERENCE	APPEARS IN	OPERATIVE LANGUAGE IN THIS SECTION
G.S. 105-277.3	(a)	*"one of the classes defined in"*
G.S. 105-286	(a)	*"change in valuation made pursuant to"*
G.S. 105-287	(a)	*"made pursuant to G.S. 105-286 or"*
G.S. 105-317	(b)	*"in the schedule prepared pursuant to"*
G.S. 160A-37(f1)	(b)	*"or is property annexed subject to"*
G.S. 160A-49(f1)	(b)	*"annexed subject to G.S. 160A-37(f1) or"*
G.S.160A-49(f1)	(b)	*"certification pursuant to G.S. 160A-37(f1) or"*
G.S. 160A-37(f1)(2)	(b)	*"the land meets the requirements of"*

G.S. 160A-49(f1)(2)	(b)	*"the requirements of G.S. 160A-37(f1)(2) or"*
G.S. 105-296(i)	(b1)	*"of the decision as required by"*
G.S. 105-296(j)	(b1)	*"information to the assessor pursuant to"*
G.S. 105-355(a)	(c)	*"of the taxpayer as provided in"*
G.S. 105-277.1F	(c)	*"due and payable in accordance with"*
G.S. 105-275(12)	(d1)	*"from the tax base pursuant to"*
G.S. 105-275(29)	(d1)	*"base pursuant to G.S. 105-275(12) or"*

APPARATUS III

Citation

FULL SECTION

N.C. Gen. Stat. § 105-277.4 (2025).

PINPOINT

N.C. Gen. Stat. § 105-277.4(a) (2025).

Pinpoint keys are set in the left margin of the text rather than line numbers: subsection designators are stable across editions and paper sizes, line numbers are not.

COLOPHON

Provenance

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HISTORY PARENTHETICAL, AS PRINTED BY THE STATE

(1973, c. 709, s. 1; c. 905; c. 906, ss. 1, 2; 1975, c. 62; c. 746, ss. 3-7; 1981, c. 835; 1985, c. 518, s. 1; c. 667, ss. 5, 6; 1987, c. 45, s. 1; c. 295, s. 5; c. 698, s. 6; 1987 (Reg. Sess., 1988), c. 1044, s. 13.2; 1995, c. 443, s. 4; c. 454, s. 3; 1997-270, s. 3; 1998-98, s. 23; 1998-150, s. 1; 2001-499, s. 2; 2002-184, s. 3; 2005-313, s. 4; 2006-30, s. 4; 2008-35, s. 2.3; 2015-263, s. 12(b); 2016-76, s. 1; 2020-18, s. 8; 2025-25, s. 29(5).)

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