



CHAPTER 105
ARTICLE 12 - PROPERTY SUBJECT TO TAXATION

N.C.G.S. § 105-277.7.

Use-Value Advisory Board.

SOURCE General Statutes of North Carolina, as published by the General Assembly	LAST AMENDMENT IN THIS TEXT S.L. 2013-155, s. 7 — twelfth act in the lineage	RETRIEVED 21 September 2026, 04:18 UTC	SOURCE FINGERPRINT 545fcb251eb52177cc8ac71d - 3a6e906ff8b4f8d7c191c8bd - 8e0bc1f3061fc097
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- § 105-277.7(a) Creation and Membership. - The Use-Value Advisory Board is established under the supervision of the Agricultural Extension Service of North Carolina State University. The Director of the Agricultural Extension Service of North Carolina State University shall serve as the chair of the Board. The Board shall consist of the following additional members, to serve ex officio:
- (1) A representative of the Department of Agriculture and Consumer Services, designated by the Commissioner of Agriculture.
 - (2) A representative of the North Carolina Forest Service of the Department of Agriculture and Consumer Services, designated by the Director of that Division.
 - (3) A representative of the Agricultural Extension Service at North Carolina Agricultural and Technical State University, designated by the Director of the Extension Service.
 - (4) A representative of the North Carolina Farm Bureau Federation, Inc., designated by the President of the Bureau.
 - (5) A representative of the North Carolina Association of Assessing Officers, designated by the President of the Association.
 - (6) The Director of the Property Tax Division of the North Carolina Department of Revenue or the Director's designee.
 - (7) A representative of the North Carolina Association of County Commissioners, designated by the President of the Association.

- (8) A representative of the North Carolina Forestry Association, designated by the President of the Association.

§ 105-277.7(b) Staff. - The Agricultural Extension Service at North Carolina State University must provide clerical assistance to the Board.

§ 105-277.7(c) Duties. - The Board must annually submit to the Department of Revenue a recommended use-value manual. In developing the manual, the Board may consult with federal and State agencies as needed. The manual must contain all of the following:

- (1) The estimated cash rental rates for agricultural lands and horticultural lands for the various classes of soils found in the State. The rental rates must recognize the productivity levels by class of soil or geographic area, and the crop as either agricultural or horticultural. The rental rates must be based on the rental value of the land to be used for agricultural or horticultural purposes when those uses are presumed to be the highest and best use of the land. The recommended rental rates may be established from individual county studies or from contracts with federal or State agencies as needed.
- (2) The recommended net income ranges for forestland furnished to the Board by the Forestry Section of the North Carolina Cooperative Extension Service. These net income ranges may be based on up to six classes of land within each Major Land Resource Area designated by the United States Soil Conservation Service. In developing these ranges, the Forestry Section must consider the soil productivity and indicator tree species or stand type, the average stand establishment and annual management costs, the average rotation length and timber yield, and the average timber stumpage prices.
- (3) The capitalization rates adopted by the Board prior to February 1 for use in capitalizing incomes into values. The capitalization rate for forestland shall be nine percent (9%). The capitalization rate for agricultural land and horticultural land must be no less than six percent (6%) and no more than seven percent (7%). The incomes must be in the form of cash rents for agricultural lands and horticultural lands and net incomes for forestlands.
- (4) The value per acre adopted by the Board for the best agricultural land. The value may not exceed one thousand two hundred dollars (\$1,200).

- (5) Recommendations concerning any changes to the capitalization rate for agricultural land and horticultural land and to the maximum value per acre for the best agricultural land and horticultural land based on a calculation to be determined by the Board. The Board shall annually report these recommendations to the Revenue Laws Study Committee and to the President Pro Tempore of the Senate and the Speaker of the House of Representatives.
- (6) Recommendations concerning requirements for horticultural land used to produce evergreens intended for use as Christmas trees when requested to do so by the Department.

END OF SECTION TEXT

APPARATUS FOLLOWS — DERIVED, NOT ENACTED

APPARATUS I
12 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.



APPARATUS III

Citation

FULL SECTION

N.C. Gen. Stat. § 105-277.7 (2013).

PINPOINT

N.C. Gen. Stat. § 105-277.7(a) (2013).

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

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HISTORY PARENTHETICAL, AS PRINTED BY THE STATE

(1973, c. 709, s. 1; 1975, c. 746, s. 11; 1985, c. 628, s. 2; 1989, c. 727, s. 218(44); c. 736, s. 2; 1997-261, s. 109; 1997-443, s. 11A.119(a); 2002-184, s. 4; 2005-313, s. 5; 2005-386, s. 1.3; 2011-145, s. 13.25(oo); 2013-155, s. 7.)

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