

POLICY

Policy Title: A.R.S. § 42-12154 Approval of Nonconforming Agricultural Property

Chief Deputy

Assessor Approval: *Dawn Marie Buckland*

Secondary Approval: *Tim Holland*

Tim Holland (Apr 16, 2025 07:28 PDT)

I. PURPOSE

To clarify the decision-making powers of the Maricopa County Assessor's Office regarding nonconforming agricultural property.

II. DEFINITIONS

A. Agricultural Property: Land dedicated to the commercial production of agricultural goods. The property is in active production for at least three of the past five years, according to generally accepted agricultural practices, and operating with a reasonable expectation of profit.

III. POLICY

A. Statute Guidance

1. The county assessor may:
 - a. Approve the agricultural classification if the property has either:
 - i. Fewer than the minimum number of acres or animal units as prescribed in A.R.S. § 42-12151.
 - ii. Been in commercial agricultural production for less than the period prescribed in A.R.S. § 42-12152.A.1.
 - b. Continue the agricultural classification of owner-occupied property if a change in property classification would cause extreme hardship to the property owner.
 - c. Continue the agricultural classification of owner-occupied property with fewer than the minimum number of animal units as prescribed in A.R.S. § 42-12151.3 if the number of animal units equals, as nearly as practicable, the property's carrying capacity.

B. Uniform and Equitable Assessment

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1. To ensure uniform and equitable assessments, the Maricopa County Assessor's Office follows these standards when exercising the discretion granted by statute:
 - a. Determinations regarding nonconforming agricultural property are delegated to subject matter experts, i.e., the Assessor's Agricultural Unit.
 - b. Any exceptions to the statutory criteria for classification of property used for agricultural purposes are reviewed case-by-case, with the burden of proof falling on the taxpayer. Proof is only accepted in the form of written documentation submitted by the taxpayer to the Maricopa County Assessor's Office.
 - c. Considerations for exceptions are limited to the below; no other exceptions are made:
 - i. Operations that have been in production for more than 10 years but are slightly below the minimum acreage, wherein the removal of agricultural classification is apt to cause the operation to fail and the land to be forced out of production.
 - ii. Operations that have been in production for more than 5 years that fall below the minimum acreage because of governmental taking, wherein the removal of agricultural classification is apt to cause the operation to fail and the land to be taken out of production.
 - iii. The 3 of 5 years requirement for the land may be met if an operator who has been in operation for at least 3 years in Arizona incorporates a new parcel into their operation.
 - (1) Parcels for consideration demonstrate how the additional parcel(s) contribute to the overall operation and follow standard operational practices. An expectation of profit is demonstrated.
 - (2) The parcel is in full production before consideration. Initial approval for all high-density uses is contingent upon the parcel being in continuous production; if it is found that high-density properties are not in year-round production, the approval may be revoked.
 - (3) To be considered for inclusion, a taxpayer or agent files a new or amended application with the Assessor's Office.

IV. REFERENCED DOCUMENTS

A.R.S. § 42-12151: Definition of agricultural real property

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A.R.S. § 42-12152: Criteria for classification of property used for agricultural purposes; exception; affidavit

A.R.S. § 42-12153: Application for classification of property used for agricultural purposes.

A.R.S. § 42-12154: Approval of nonconforming property

V. REVISION HISTORY

Revision Level	Revision Date	Issuing Authority / Author Name	Authorized Reviewers	Description of Revision
0	4.15.2025	Tom Rief	Tom Rief & Tim Holland	Initial release.

VI. APPENDIX

N/A