

§ 105-277.15. (Effective for taxes imposed for taxable years beginning before July 1, 2022)

Taxation of wildlife conservation land.

- (a) Definitions. – The following definitions apply in this section:
- (1) Business entity. – Defined in G.S. 105-277.2.
 - (2) Family business entity. – A business entity whose members are, directly or indirectly, individuals and are relatives. An individual is indirectly a member of a business entity if the individual is a member of a business entity or a beneficiary of a trust that is part of the ownership structure of the business entity.
 - (3) Family trust. – A trust that was created by an individual and whose beneficiaries are, directly or indirectly, individuals who are the creator of the trust or a relative of the creator. An individual is indirectly a beneficiary of a trust if the individual is a beneficiary of another trust or a member of a business entity that has a beneficial interest in the trust.
 - (4) Member. – Defined in G.S. 105-277.2.
 - (5) Relative. – Defined in G.S. 105-277.2.
- (b) Classification. – Wildlife conservation land is designated a special class of property under Article V, Section 2(2) of the North Carolina Constitution and must be appraised, assessed, and taxed in accordance with this section. Wildlife conservation land classified under this section must be appraised and assessed as if it were classified under G.S. 105-277.3 as agricultural land.
- (c) Requirements. – Land qualifies as wildlife conservation land if it meets the following size, ownership, and use requirements:
- (1) Size. – The land must consist of at least 20 contiguous acres.
 - (2) Ownership. – The land must be owned by an individual, a family business entity, or a family trust and must have been owned by the same owner for the previous five years, except as follows:
 - a. If the land is owned by a family business entity, the land meets the ownership requirement if the land was owned by one or more members of the family business entity for the required time.
 - b. If the land is owned by a family trust, the land meets the ownership requirement if the land was owned by one or more beneficiaries of the family trust for the required time.
 - c. If an owner acquires land that was classified as wildlife conservation land under this section when it was acquired and the owner continues to use the land as wildlife conservation land, then the land meets the ownership requirement if the new owner files an application and signs the wildlife habitat conservation agreement in effect for the property within 60 days after acquiring the property.
 - (3) **(Effective for taxes imposed for taxable years beginning before July 1, 2019)** Use. – The land must meet all of the following requirements:
 - a. The land must be managed under a written wildlife habitat conservation agreement with the North Carolina Wildlife Resources Commission that is in effect as of January 1 of the year for which the benefit of this section is claimed and that requires the owner to do one or more of the following:
 1. Protect an animal species that lives on the land and, as of January 1 of the year for which the benefit of this section is claimed, is on a North Carolina protected animal list published by the Commission under G.S. 113-333.

2. Conserve any of the following priority animal wildlife habitats: longleaf pine forest, early successional habitat, small wetland community, stream and riparian zone, rock outcrop, or bat cave.
- b. It must have been classified under G.S. 105-277.3 when the wildlife habitat conservation agreement was signed or the owner must demonstrate to both the Wildlife Resources Commission and the assessor that the owner used the land for a purpose specified in the signed wildlife habitat conservation agreement for three years preceding the January 1 of the year for which the benefit of this section is claimed.
- (3) **(Effective for taxes imposed for taxable years beginning on or after July 1, 2019)** Use. – The land must meet all of the following requirements:
- a. The land must be managed under a written wildlife habitat conservation agreement with the North Carolina Wildlife Resources Commission that is in effect as of January 1 of the year for which the benefit of this section is claimed and that requires the owner to do one or more of the following:
 1. Protect an animal species that lives on the land and, as of January 1 of the year for which the benefit of this section is claimed, is on a North Carolina protected animal list published by the Commission under G.S. 113-333.
 2. Conserve any of the following priority animal wildlife habitats: longleaf pine forest, early successional habitat, small wetland community, stream and riparian zone, rock outcrop, or bat cave.
 3. Create and actively and regularly use as a reserve for hunting, fishing, shooting, wildlife observation, or wildlife activities, provided that the land is inspected by a certified wildlife biologist at least quintennially to ensure that at least three of the seven activities listed in this sub-sub-subdivision are maintained to propagate a sustaining breeding, migrating, or wintering population of indigenous wild animals for human use, including food, medicine, or recreation. The Commission shall adopt rules needed to administer the inspection requirements of and activities mandated by this sub-sub-subdivision. [The activities are as follows:]
 - I. Supplemental food.
 - II. Supplemental water.
 - III. Supplemental shelter.
 - IV. Habitat control.
 - V. Erosion control.
 - VI. Predator control.
 - VII. Census of animal population on the land.
 - b. For land used pursuant to sub-sub-subdivisions 1. or 2. of sub-subdivision a. of this subdivision, it must have been classified under G.S. 105-277.3 when the wildlife habitat conservation agreement was signed or the owner must demonstrate to both the Wildlife Resources Commission and the assessor that the owner used the land for a purpose specified in the signed wildlife habitat

conservation agreement for three years preceding the January 1 of the year for which the benefit of this section is claimed.

(d) (Effective for taxes imposed for taxable years beginning before July 1, 2019)

Restrictions. – The following restrictions apply to the classification allowed under this section:

- (1) No more than 100 acres of an owner's land in a county may be classified under this section.
- (2) Land owned by a business entity is not eligible for classification under this section if the business entity is a corporation whose shares are publicly traded or one of its members is a corporation whose shares are publicly traded.

(d) (Effective for taxes imposed for taxable years beginning on or after July 1, 2019)

Restrictions. – The following restrictions apply to the classification allowed under this section:

- (1) For land used pursuant to sub-sub-subdivision 3. of sub-subdivision a. of subdivision (3) of subsection (c) of this section, no more than 800 acres of an owner's land in a county may be classified under this section. For all other land classified under this section, no more than 100 acres of an owner's land in a county may be classified under this section.
- (2) Land owned by a business entity is not eligible for classification under this section if the business entity is a corporation whose shares are publicly traded or one of its members is a corporation whose shares are publicly traded.

(e) **Deferred Taxes.** – The difference between the taxes that are due on wildlife conservation land classified under this section and that would be due if the land were taxed on the basis of its true value is a lien on the property. The difference in taxes must be carried forward in the records of each taxing unit 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 land loses its eligibility for deferral as a result of a disqualifying event. A disqualifying event occurs when the property no longer qualifies as wildlife conservation land.

(f) **Exceptions to Payment.** – No deferred taxes are due in the following circumstances and the deferred taxes remain a lien on the land:

- (1) When the owner of wildlife conservation land that was previously classified under G.S. 105-277.3 before the wildlife habitat conservation agreement was signed does not transfer the land and the land again becomes eligible for classification under G.S. 105-277.3. In this circumstance, the deferred taxes are payable in accordance with G.S. 105-277.3.
- (2) When land that is classified under this section is transferred to an owner who signed the wildlife habitat conservation agreement in effect for the land at the time of the transfer and the land remains classified under this section. In this circumstance, the deferred taxes are payable in accordance with this section.

(g) **Exceptions to Payment and Lien.** – Notwithstanding subsection (e) of this section, if land loses its eligibility for deferral solely due to one of the following reasons, no deferred taxes are due and the lien for the deferred taxes is extinguished:

- (1) The property is conveyed by gift to a nonprofit organization and qualifies for exclusion from the tax base under G.S. 105-275(12) or G.S. 105-275(29).
- (2) The property is conveyed by gift to the State, a political subdivision of the State, or the United States.

(h) **Administration.** – An owner who applies for the classification allowed under this section must attach a copy of the owner's written wildlife habitat agreement required under subsection (c) of this section. An owner who fails to notify the county assessor when land classified under this section loses its eligibility for classification is subject to a penalty in the amount set in G.S. 105-277.5. (2008-171, s. 1; 2018-95, s. 1.)

§ 105-277.15. (Effective for taxes imposed for taxable years beginning on or after July 1, 2022) Taxation of wildlife conservation land.

- (a) Definitions. – The following definitions apply in this section:
- (1) Business entity. – Defined in G.S. 105-277.2.
 - (2) Family business entity. – A business entity whose members are, directly or indirectly, individuals and are relatives. An individual is indirectly a member of a business entity if the individual is a member of a business entity or a beneficiary of a trust that is part of the ownership structure of the business entity.
 - (3) Family trust. – A trust that was created by an individual and whose beneficiaries are, directly or indirectly, individuals who are the creator of the trust or a relative of the creator. An individual is indirectly a beneficiary of a trust if the individual is a beneficiary of another trust or a member of a business entity that has a beneficial interest in the trust.
 - (4) Member. – Defined in G.S. 105-277.2.
 - (5) Relative. – Defined in G.S. 105-277.2.
 - (6) Wildlife conservation land. – Land that meets the size, ownership, and use requirements of this section.
- (b) Classification. – Wildlife conservation land is designated a special class of property under Article V, Section 2(2) of the North Carolina Constitution and must be appraised, assessed, and taxed as follows:
- (1) Wildlife conservation land used for wildlife species protection under subdivision (c3)(1) of this section must be appraised and assessed as if it were classified under G.S. 105-277.3 as forestland.
 - (2) Wildlife conservation land used for wildlife habitat protection under subdivision (c3)(2) of this section must be appraised and assessed as if it were classified under G.S. 105-277.3 as forestland.
 - (3) Wildlife conservation land used for wildlife reserve under subdivision (c3)(3) of this section must be appraised and assessed as if it were classified under G.S. 105-277.3 as agricultural land.
- (c) Repealed by Session Laws 2022-45, s. 3(b), effective for taxes imposed for taxable years beginning on or after July 1, 2022.
- (c1) Size. – The land must consist of at least 20 contiguous acres located in the same county. Once the initial qualifying tract of 20 contiguous acres has been met, one or more additional acres that meet the ownership and use requirements of this section may qualify for enrollment. If the land is used for wildlife habitat protection under subdivision (c3)(2) of this section, then the additional acreage must be located in the same county as the qualifying 20-acre tract.
- (c2) Ownership. – The land must be owned by an individual, a family business entity, a family trust, or a combination of one or more of the three entities as tenants in common. Tenants in common may elect to treat their individual shares as owned by them individually in accordance with G.S. 105-302(c)(9). The land must have been owned by the same owner for the previous four years, except as follows:
- (1) If the land is the owner's place of residence, then it meets the ownership requirements.
 - (2) If an owner of land enrolled as wildlife conservation land under this section acquires additional land that shares a common boundary with the enrolled land, then the acquired land meets the ownership requirement.

- (3) If the land is owned by a family business entity, the land meets the ownership requirement if the land was owned by one or more members of the family business entity for the required time.
- (4) If the land is owned by a family trust, the land meets the ownership requirement if the land was owned by one or more beneficiaries of the family trust for the required time.
- (5) If the land was classified as wildlife conservation land under this section when it was acquired and the owner continues to use the land as wildlife conservation land, then the land meets the ownership requirement if the new owner files an application with the county assessor within 60 days after acquiring the property and signs the wildlife habitat conservation agreement in effect for the property.
- (6) If the land is owned as tenants in common, the land meets the ownership requirement if the land was owned by one or more of the tenants for the required time.
- (7) If the land is acquired through transfer or inheritance from a relative, the land meets the ownership requirement if the land was owned by the relative for the required time.

(c3) Use. – The land must be managed under a written wildlife habitat conservation agreement with the North Carolina Wildlife Resources Commission that is in effect as of January 1 of the year for which the benefit of this section is claimed and that requires the owner to do one or more of the following:

- (1) Wildlife species protection. – Protect an animal species that lives on the land and, as of January 1 of the year for which the benefit of this section is claimed, is on a North Carolina protected animal list published by the Commission under G.S. 113-333.
- (2) Wildlife habitat protection. – Conserve any of the following priority animal wildlife habitats: longleaf pine forest, early successional habitat, small wetland community, stream and riparian zone, rock outcrop, or bat cave.
- (3) Wildlife reserve. – Create and actively and regularly use as a reserve for hunting, fishing, shooting, wildlife observation, or wildlife activities, provided that the land is inspected by a certified wildlife biologist at least quintennially to ensure that at least three of the seven activities listed in this subdivision are maintained to propagate a sustaining breeding, migrating, or wintering population of indigenous wild animals for human use, including food, medicine, or recreation. The Commission shall adopt rules needed to administer the inspection requirements of and activities mandated by this subdivision. The activities are as follows:
 - a. Supplemental food.
 - b. Supplemental water.
 - c. Supplemental shelter.
 - d. Habitat control.
 - e. Erosion control.
 - f. Predator control.
 - g. Census of animal population on the land.

(d) Restrictions. – The following restrictions apply to the classification allowed under this section:

- (1) For land used as a wildlife reserve under subdivision (c3)(3) of this section, no more than 800 acres of an owner's land in a county may be classified under this

section. For all other land classified under this section, no more than 200 acres of an owner's land in a county may be classified under this section.

- (2) Land owned by a business entity is not eligible for classification under this section if the business entity is a corporation whose shares are publicly traded or one of its members is a corporation whose shares are publicly traded.

(e) **Deferred Taxes.** – The difference between the taxes that are due on wildlife conservation land classified under this section and that would be due if the land were taxed on the basis of its true value is a lien on the property. The difference in taxes must be carried forward in the records of each taxing unit 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 land loses its eligibility for deferral as a result of a disqualifying event. A disqualifying event occurs when the property no longer qualifies as wildlife conservation land.

(f) **Exceptions to Payment.** – No deferred taxes are due in the following circumstances and the deferred taxes remain a lien on the land:

- (1) When the owner of wildlife conservation land that was previously classified under G.S. 105-277.3 before the wildlife habitat conservation agreement was signed does not transfer the land and the land again becomes eligible for classification under G.S. 105-277.3. In this circumstance, the deferred taxes are payable in accordance with G.S. 105-277.3.
- (2) When land that is classified under this section is transferred to an owner who signed the wildlife habitat conservation agreement in effect for the land at the time of the transfer and the land remains classified under this section. In this circumstance, the deferred taxes are payable in accordance with this section.

(g) **Exceptions to Payment and Lien.** – Notwithstanding subsection (e) of this section, if land loses its eligibility for deferral solely due to one of the following reasons, no deferred taxes are due and the lien for the deferred taxes is extinguished:

- (1) The property is conveyed by gift to a nonprofit organization and qualifies for exclusion from the tax base under G.S. 105-275(12) or G.S. 105-275(29).
- (2) The property is conveyed by gift to the State, a political subdivision of the State, or the United States.

(h) **Administration.** – An owner who applies for the classification allowed under this section must attach a copy of the owner's written wildlife habitat agreement required under subsection (c3) of this section. An owner who fails to notify the county assessor when land classified under this section loses its eligibility for classification is subject to a penalty in the amount set in G.S. 105-277.5. (2008-171, s. 1; 2018-95, s. 1; 2022-45, s. 3(a), (b).)