

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005**

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**SENATE BILL 551**

Short Title: Present-Use Value Buyout Credits. (Public)

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Sponsors: Senators East; Allran, Apodaca, Berger of Rockingham, Bingham, Brown, Forrester, Goodall, Horton, Jacumin, Kerr, Pittenger, Smith, Stevens, Tillman, and Webster.

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Referred to: Finance.

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March 15, 2005

A BILL TO BE ENTITLED

1 AN ACT TO ALLOW BUYOUT PAYMENTS TO COUNT TOWARDS THE ONE  
2 THOUSAND DOLLAR GROSS INCOME REQUIREMENT FOR  
3 AGRICULTURAL LAND FOR PRESENT-USE VALUE TAX EXEMPTIONS.  
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5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** G.S. 105-277.3(a)(1) reads as rewritten:

7 "**§ 105-277.3. Agricultural, horticultural, and forestland – Classifications.**

8 (a) Classes Defined. – The following classes of property are designated special  
9 classes of property under authority of Section 2(2) of Article V of the North Carolina  
10 Constitution and must be appraised, assessed, and taxed as provided in G.S. 105-277.2  
11 through G.S. 105-277.7.

12 (1) Agricultural land. – Individually owned agricultural land consisting of  
13 one or more tracts, one of which consists of at least 10 acres that are in  
14 actual production and that, for the three years preceding January 1 of  
15 the year for which the benefit of this section is claimed, have produced  
16 an average gross income of at least one thousand dollars (\$1,000).  
17 Gross income includes income from the sale of the agricultural  
18 products produced from the ~~land and land~~, any payments received  
19 under a governmental soil conservation or land retirement ~~program~~  
20 program, or the amount paid to the taxpayer during the taxable year  
21 pursuant to P.L. 108-357, Title VI, Fair and Equitable Tobacco  
22 Reform Act of 2004. Land in actual production includes land under  
23 improvements used in the commercial production or growing of crops,  
24 plants, or animals."

25 **SECTION 2.** This act is effective when it becomes law.