Terms

Deferred Taxes – the difference between the taxes due on the present-use basis and the taxes that would be payable in the absence of this classification.

Rollout – if or when a property loses its eligibility for present use the deferred tax for the preceding three years plus current become due and payable with inter est.

Disqualification – event occurs when the land fails to meet any condition ore requirement for the classification or when application is not approved. G.S. 105-277.4 (c)

Audit – according to G.S. 105-296 an assessor must review parcels in the county classified for taxation at present use. All of these types of properties will be reviewed once every four years in insure eligibility. Owners are encouraged to maintain records to support continued eligibility.

Continued Use – G.S. 105.277.3 (b2) (1) if the land qualifies for classification in the hands of the new owner under the provisions of this subdivision, then any deferred taxes remain a lien on the land under G.S. 105.277.4(c), the new owner becomes liable for the deferred taxes. For further explanation and qualifications refer to G.S 105.277.3 (b2) (1)

Expansion of Existing Unit: (Piggy Back) G.S. 105.277.3 (B2) (2) – Land qualifies for classification in the hands of the new owner if, at the time title passed to the new owner, the land was not appraised at its present-use value but was being used for the same purpose and was eligible for appraisal at its present-use value as other land already owned by the new owner and classified under subsection (A) of section: G.S. 105-277.3

For additional information or an application, please call or come by the Davie County Tax Office.

Staff will be happy to assist you.

Davie County Tax Administration
Revaluation Department
123 South Main Street
Mocksville, NC 27028
336-753-6140
DavieCountyNC.gov

DAVIE COUNTY
NORTH CAROLINA

Present-Use Value Program

A Deferred Tax Program
Available to Qualifying Landowners
of Agricultural, Horticultural,
Forestry & Wildlife Conservation
Acreage with in Davie County, NC

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What is Present-Use Value?

It is the value of land in its current use as agricultural land, horticultural land, or forestland. The land meeting the eligibility requirements is taxed on the present-use value instead of market value of the land.

To be eligible for present-use values, a farm unit consisting of one or more tracts must meet the following requirements (North Carolina G.S. 105-277).

Application Requirements

An initial application must be filed during the regular listing period **(Jan 1 – Jan 31)** of the year for which the benefit of this application is first claimed, or within 30 days of the date shown on a notice of a change in valuation made per pursuant to G.S. 105-286 or G.S. 105-287.

To review more application requirements see G.S 105-277.4. (a)

Present-Use Value Land Classifications:

A. Agriculture Land
B. Horticultural Land
C. Forestland
D. Wildlife Conservation Land

Requirements

Four requirements that **must be met** in order to qualify for the program:

1. Ownership Types

Individual Ownership
Entity Ownership
Exceptions

To see the requirements for each type please see **DavieCountyNC.gov**. Select departments/ Tax Administration/Tax Deferments

2. Size: Classification Requirements

- **Agriculture –** must consist of at least **10 acres** that are in actual production. Land in production includes; the commercial growing of crops, plants, or animals. For aquatic species see G.S. 105-277.3 (a)(1)
- **Horticulture –** must consist of at least one tract consisting of **5 acres** that are in actual production. Land in production includes; the commercial production of fruits or vegetables or nursery or floral products. For Christmas trees see G.S. 105-277.3(a)(2)
- **Forestry –** must consist of at least one tract consisting of **20 acres** that are in actual production. Must have a forestry management plan by certified forester G.S. 105-277.3 (a)(3)

3. Income Requirements

- **Agriculture –** average gross income of at least **$1,000 per year** for the three years preceding the application year.
- **Horticulture –** average gross income of at least **$1,000 per year** for the three years preceding the application year
- **Forestry – no income requirement**, but must have one tract consisting of at least 20 acres that is in actual production.

Taxes in all Present-Use Value Programs are deferred, not exempted.

4. Sound Management

- **Agriculture –** the owner must demonstrate anyone of the factors found in G.S. 105-277.3 (f)
- **Horticulture –** the owner must demonstrate anyone of the factors found in G.S. 105-277.3 (f)
- **Forestry –** the owner must demonstrate that the forestland complies with an up-to-date written forestry management plan. G.S 105-277.3(g)

NOTE: Property owners must notify the Tax Administrator's office of any changes in use, acreage, income or ownership. Failure to submit such notification may result in disqualification.

Federal Conservation Reserve Program

Land that is enrolled into this program is considered to be in actual production and income derived from participation in this program may be used in meeting the minimum gross income requirement.

Conservation Easements

See G.S. 105-277.3(d1)