

Senate Engrossed

property tax; golf courses; valuation

State of Arizona  
Senate  
Fifty-sixth Legislature  
Second Regular Session  
2024

**CHAPTER 8**  
**SENATE BILL 1095**

AN ACT

AMENDING SECTION 42-13154, ARIZONA REVISED STATUTES; RELATING TO VALUATION  
OF GOLF COURSES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 42-13154, Arizona Revised Statutes, is amended  
3 to read:

4 42-13154. Covenant not to convert golf course to another use;  
5 notice; violation; penalty; definition

6 A. As a condition for valuation under this article, the owner of a  
7 golf course shall record a deed restriction with the county recorder and  
8 file a copy of the restriction with the county assessor, **REQUIRING AND**  
9 restricting the property to use as a golf course for at least ten  
10 years. The deed restriction must be refiled as necessary, **INCLUDING WHEN**  
11 **THE PROPERTY IS SPLIT OR COMBINED**, to ensure that the deed restriction  
12 always applies for at least ten years.

13 B. The valuation of a golf course under this ~~section~~ **ARTICLE**  
14 constitutes a covenant between the county assessor and the owner of the  
15 golf course that the use of the property **AS A GOLF COURSE** will remain  
16 unchanged for the duration of the deed restriction **IN ORDER TO RECEIVE**  
17 **VALUATION AS A GOLF COURSE AND TO AVOID THE PENALTY PRESCRIBED IN**  
18 **SUBSECTION E OF THIS SECTION FOR CONVERTING THE PROPERTY TO A DIFFERENT**  
19 **USE.**

20 C. The **COUNTY** assessor shall maintain a record of the value of the  
21 property determined under this article and the value of the property if it  
22 had not been determined under this article. The **COUNTY** assessor shall  
23 maintain the record for at least ten years for use in computing the  
24 penalty under subsection ~~D~~ **E** if the property is converted to a different  
25 use in violation of the covenant.

26 D. If **ANY PART OF** the property is converted to a different use in  
27 violation of the covenant, **THE OWNER OF THE GOLF COURSE MUST SUBMIT**  
28 **NOTIFICATION TO THE COUNTY ASSESSOR IN PERSON, ELECTRONICALLY OR BY**  
29 **CERTIFIED MAIL WITHIN THIRTY DAYS AFTER THE PROPERTY IS CONVERTED TO A**  
30 **DIFFERENT USE.**

31 **E. ON RECEIPT OF THE OWNER OF THE GOLF COURSE'S NOTICE PURSUANT TO**  
32 **SUBSECTION D OF THIS SECTION OR THE COUNTY ASSESSOR DISCOVERING THAT ANY**  
33 **PART OF THE PROPERTY HAS BEEN CONVERTED TO A DIFFERENT USE,** the **COUNTY**  
34 assessor shall add to the tax levied against the property on the next tax  
35 roll a penalty equal to the difference between the total amount of  
36 property taxes that would have been levied on the property for the  
37 preceding ten years or the period of time the property was valued under  
38 this ~~section~~ **ARTICLE**, whichever period is shorter, if the property had not  
39 been valued under this ~~section~~ **ARTICLE** and the property taxes that were  
40 actually paid for the same period. The penalty due under this subsection  
41 shall be paid before completion of the next property tax roll and is  
42 enforceable and subject to the same penalties and interest as if the  
43 penalty were a tax levied against the property.

1 F. IF THE COUNTY ASSESSOR ACCEPTS ELECTRONIC FILINGS OR NOTICES,  
2 THE COUNTY ASSESSOR SHALL PROVIDE AN ELECTRONIC ACKNOWLEDGMENT OF RECEIPT.  
3 G. FOR THE PURPOSES OF THIS SECTION, "CONVERTED TO A DIFFERENT USE"  
4 MEANS THE TERMS OF THIS ARTICLE HAVE BEEN VIOLATED OR THE DEED RESTRICTION  
5 HAS BEEN REMOVED, HAS EXPIRED WITHOUT THE REFILEING OF A REPLACEMENT  
6 RESTRICTION OR HAS BEEN VIOLATED.

APPROVED BY THE GOVERNOR MARCH 25, 2024.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MARCH 25, 2024.