

Agricultural Property Manual



Preface

The Arizona Department of Revenue (Department or ADOR) administers the property tax system in cooperation with the 15 county assessors, among others. One of the administrative duties of the Department is to prepare and maintain publications reflecting standard appraisal methods and techniques that are used in the identification, classification, and valuation of property for ad valorem purposes. The Department regularly updates these publications, consistent with the following three levels of updates, depending on the perceived need:

Review: Publication conforms to standard style and formatting. Legislative and other citations verified. No changes to content, methodology, policy, or practice.

Revision: Includes applicable Review processes. Publication is newly edited. Nonsubstantive legislative changes incorporated. Addition or deletion of information that does not alter valuation methodology.

Rewrite: Includes applicable Review and Revision processes. Major substantive changes made to any combination of content, valuation methodology, policy, and/or practice.

This publication is a Revision of the *Agricultural Property Manual* published by the Department in August 2020. It supersedes all previous agricultural property manuals published by the Department and remains effective until replaced. Additional information may be issued as an addendum to this publication or as a separate publication. Due to the flexibility provided for in statute, deadlines and procedures may vary from county to county across the state. The Department recommends contacting your county assessor for detailed information regarding the deadlines and procedures in their jurisdiction. The information in this publication is based upon laws and rules in effect at the time of publication. Should any content in this publication conflict with current laws or rules, the latter shall be controlling.

Authority

Authority to produce this publication is found in Arizona Revised Statutes (A.R.S.) [42-11054\(A\) \(1\) and \(2\)](#). Regarding the weight of authority of this publication, see A.R.S. [42-13051\(B\)\(2\)](#).

Practical Examples

All practical examples herein are representative of how the Department would apply a given set of data while adhering to both industry- and Arizona-specific guidelines as well as standard appraisal methods and techniques. Practical examples may demonstrate the current best practices used to make a necessary determination. Some practical examples may demonstrate the application of a process mandated by statute. See A.R.S. [42-11001\(6\)](#). Other practical examples may demonstrate methods that are adaptable to the particular situations of the various counties. Specific calculations used in the practical examples found herein are for demonstration purposes only.

All inquiries, comments, and suggestions concerning the material in this publication may be submitted to the following:

Arizona Department of Revenue
Local Jurisdictions District
Property Tax Unit
1600 West Monroe Street
Phoenix, AZ 85007-2650
(602) 716-6843
propertytaxpublications@azdor.gov

This publication can be accessed on the Department website at:

https://azdor.gov/sites/default/files/2023-03/PROPERTY_AgriculturalPropertyManual.pdf.

Legislative Changes to the Arizona Revised Statutes

This publication has been updated according to the 2021 legislative session (the 55th Legislature, 1st Regular Session). Changes in the Arizona Revised Statutes that may be applicable to this publication are included in the table below.

2021 – Fifty-fifth Legislature – First Regular Session

House Bill 2331: Amended A.R.S. 42-19157

Sets delinquency time frame of one year for overdue property taxes assessed against unaffixed manufactured housing used as a primary residence

House Bill 2376: Amended A.R.S. 42-12002, 42-13551, and 42-13552

Defines guest ranch property; identifies guest ranch property as property Class Two; sets forth deed restrictions, covenants, violations, and penalties associated with guest ranch use

Senate Bill 1734: Amended A.R.S. 42-12155, 42-12156, 42-12158

Requires assessor to provide notice of change in use via certified mail upon reclassification of property to nonagricultural; expands "appeal" options to error correction

Senate Bill 1828: Amended A.R.S. 15-972, 42-15001, and 48-807

Amends rates for calculating Additional State Aid for Education and fire district assessments; provides for annual step down reduction of assessment ratio for property Class One

Table of Contents

Preface	1
Authority	2
Practical Examples	2
Legislative Changes to the Arizona Revised Statutes	3
Table of Contents	4
Chapter 1	10
Agricultural Property Overview	10
Introduction	11
Current Use Standard	12
Identification and Classification Requirements	12
Valuation Without Urban or Market Influences	13
Statutory Valuation Procedure	13
Chapter 2	15
Agricultural Property Identification	15
Overview	16
Agricultural Land Use Application	16
Statement of Agricultural Lease	17
Assessor Review of Application or Abstract	18
Property Inspection	18
Agricultural Real Property Types	18
Cropland	19
Permanent Crops	19
Grazing Land	20

Rangeland	20
Pastureland	21
Grazing Land Considerations	21
Equine Operation	21
Minimum Animal Units	22
Equine Operation Considerations	22
High Density Agricultural Use	23
Cotton Processing	24
Wine Grape Processing	25
Citrus Processing	25
Fruit or Vegetable Packing	26
Dairy Cooperative	26
Algaculture	26
Agritourism	27
Mixed-Use Agricultural Commodity Processing	27
Chapter 3	28
Agricultural Property Classification	28
Agricultural Classification Eligibility Criteria	29
Primary Use	29
Active Production	30
Reasonable Expectation of Profit	30
Noncontiguous Parcel Management	31
Nonconforming Property	32

Chapter 4	34
Agricultural Property Valuation	34
Statutory Valuation Procedure	35
Average Annual Net Cash Rental	35
Statutory Capitalization Rate	36
Income Approach to Value	37
Valuation Procedures	37
Identify Agricultural Operation Types	37
Divide County into Agricultural Productivity Zones	37
Collect Lease Data by Agricultural Productivity Zone	38
Analyze Lease Data	39
Lease Analysis	39
Expense Analysis	41
Determine Average Annual Net Cash Rental	42
Example Lease Data Analyses and Agricultural Land Valuation	43
Lease Data Analysis and Valuation of Cropland	43
Annual Net Cash Rental per Acre	43
Average Annual Net Cash Rental per Acre	43
Cropland Valuation per Acre	45
Lease Data Analysis and Valuation of Rangeland	45
Units of Comparison for Rangeland	45
Annual Net Cash Rental per Animal Unit — Known Carrying Capacity	46
Annual Net Cash Rental per Animal Unit — Unknown Carrying Capacity	46
Average Annual Net Cash Rental per Animal Unit	48

Rangeland Valuation per Animal Unit	49
Rangeland Valuation According to Carrying Capacity	49
Valuation Considerations within the Agricultural Operation	50
Employee Housing	50
Guest Ranch	51
Headquarters Land	52
Homesite Land	52
Improvements on Possessory Rights	53
Improvements on Privately-Owned Agricultural Land	54
Improvements to Privately-Owned Agricultural Land	54
Mixed-Use Properties	55
Nonagricultural Full Cash Value	55
Permanent Crops	56
Chapter 5	57
Agricultural Property Management	57
Assessor Notices	58
Notice of Approval or Disapproval	58
Notice of Value	58
Contesting Assessor Decisions	58
Appeals	58
Error Correction	59
Property Inspections	59
Reclassification of Agricultural Property	60
Change in Use	60

Change in Property Status	60
Qualification Change	61
Ownership Change	61
Parcel Change	61
Lease Change	62
Property in Transition	62
Personal Property	63
Penalties	64
Appendix	65
Carrying Capacity of	65
Rangeland in Arizona	65
Rangeland Carrying Capacity Tables	66
Apache County Animal Unit Carrying Capacity per Section by Township	68
Cochise County Animal Unit Carrying Capacity per Section by Township	69
Coconino County Animal Unit Carrying Capacity per Section by Township	70
Gila County Animal Unit Carrying Capacity per Section by Township	71
Graham County Animal Unit Carrying Capacity per Section by Township	72
Greenlee County Animal Unit Carrying Capacity per Section by Township	73
La Paz County Animal Unit Carrying Capacity per Section by Township	74
Maricopa County Animal Unit Carrying Capacity per Section by Township	75
Mohave County Animal Unit Carrying Capacity per Section by Township	76
Navajo County Animal Unit Carrying Capacity per Section by Township	77
Pima County Animal Unit Carrying Capacity per Section by Township	78
Pinal County Animal Unit Carrying Capacity per Section by Township	79

Santa Cruz County Animal Unit Carrying Capacity per Section by Township	80
Yavapai County Animal Unit Carrying Capacity per Section by Township	81
Yuma County Animal Unit Carrying Capacity per Section by Township	82
Wright Map — North Half	83
Wright Map — South Half	84

Chapter 1

Agricultural Property Overview

Introduction

The agricultural industry in Arizona is a significant contributor to the state economy in terms of the value of crops, livestock, and commodities produced. In terms of total assessed value, agricultural real property represents the second-largest dollar amount of all property classes. Statistics compiled by the U.S. Department of Agriculture (USDA) indicate that there are 19,000 farm operations in the state, encompassing over 26 million acres, or 40,000 square miles.¹ As impressive as these figures are, we can add to them nearly 30 million acres of state and federal land in Arizona that is subject to grazing permits and leases administered by the U.S. Forest Service, U.S. Bureau of Land Management, and Arizona State Land Department. While this publication pertains only to the valuation and assessment of privately owned agricultural property, public land leases can still be relevant to the proper valuation of agricultural grazing land.

The Department Property Tax Unit produced this publication to provide assessment personnel and other interested parties with the information and procedures necessary to identify, classify, and value agricultural property for ad valorem purposes in accordance with Arizona law.

Two primary sets of statutes from A.R.S. Title 42 are referenced throughout this publication. The first set is found in *Chapter 12: Property Classification – Article 4: Agricultural Property Classification*. A.R.S. [42-12151 to 42-12159](#). The second set is found in *Chapter 13: Valuation of Locally Assessed Property – Article 3: Valuation of Agricultural Property*. A.R.S. [42-13101](#) and [42-13102](#).

The chapters in this publication are divided according to these statutes, with **Chapter 2** describing how to identify agricultural real property (see A.R.S. [42-12151](#)), **Chapter 3** setting forth how to classify property used for agricultural purposes (see A.R.S. [42-12152](#)), and **Chapter 4** outlining how to value agricultural property (see A.R.S.

¹ USDA, National Agricultural Statistics Service, 2020 [State Agriculture Overview—Arizona](#), accessed January 2022.

[42-13101](#) and [42-13102](#)). This chapter contains a brief overview of key concepts found in later chapters that are important to understand when performing the various assessment functions.

Current Use Standard

Arizona property assessment procedures require that property is valued based upon current use, rather than the appraisal industry standard of potential highest and best use. A.R.S. [42-11054\(C\)\(1\)](#). Current use is defined as “the use to which property is put at the time of valuation by the assessor or the department.” A.R.S. [42-11001\(4\)](#).

Identification and Classification Requirements

Property may be classified as agricultural if it meets the definition of “agricultural real property” (A.R.S. [42-12151](#)) and satisfies the criteria for classification as “property used for agricultural purposes” (A.R.S. [42-12152](#)). There are 12 types of agricultural real property defined in A.R.S. [42-12151](#), which are described in greater detail in **Chapter 2**, but some examples include cropland and property used for processing citrus. The eligibility criteria for property to be classified as used for agricultural purposes are set forth in **Chapter 3**, but some examples include operation for a minimum number of years and a reasonable expectation of profit. Regardless of these requirements, the assessor has latitude under certain circumstances to approve agricultural classification of properties that do not fully conform to statutory prescriptions. A.R.S. [42-12154](#).

The following table briefly outlines the process through which property is identified and classified as agricultural property.

Process of Identification and Classification of Agricultural Property	
Application Receipt	Owner, lessor, or agent submits <i>Agricultural Land Use Application</i> (ADOR Form 82916) or <i>Agricultural Lease Abstract</i> (ADOR Form 82917).
Application / Abstract Review	Assessor compares data in the application or abstract with data in existing assessor records, e.g., property identification, ownership, size. Assessor may request additional information if necessary, e.g., lease copy, legal description.
Property Inspection	On-site inspection should be performed; however a satellite map system, State Land Department map viewer, or GIS system can supplement the inspection.
Agricultural Definition Determination	Assessor determines whether property meets the definition of agricultural real property as one of the 12 agricultural property types. See A.R.S. 42-12151 .
Agricultural Classification Determination	Assessor determines whether the property meets the criteria for agricultural property classification (primary use, active production, reasonable expectation of profit, contributory value of noncontiguous parcels). See A.R.S. 42-12152 .
Decision on Application	Assessor approves or denies agricultural classification according to statutory requirements. Property owner, lessor, or agent may appeal assessor decision.

Valuation Without Urban or Market Influences

For assessment purposes, property is generally valued according to market value, “which means the estimate of value that is derived annually by using standard appraisal methods and techniques.” A.R.S. [42-11001\(6\)](#). Standard appraisal methods and techniques provide for adjustments to value to account for market influences such as location, size, or topography. However, Arizona law dictates that property used for agricultural purposes must be valued **without** any allowance for urban or market influences. This is accomplished by utilizing a specific valuation procedure set forth in statute.

Statutory Valuation Procedure

The statutory procedure used to value agricultural property is found in A.R.S. [42-13101](#) and is described in greater detail in **Chapter 4**. In summary, the income approach is

used, and the property value is “determined using the capitalized average annual net cash rental”. A.R.S. [42-13101\(B\)](#). The “average annual net cash rental” represents the amount of rental income an agricultural property might command and is derived by the assessor through an analysis of typical arm’s length leases for comparable agricultural land in the vicinity of the subject property. A.R.S. [42-13101\(B\)\(1\)](#). The mechanism for collecting the lease data used to determine the average annual net cash rental is the “statement of agricultural lease”, which must be filed with the assessor by the property owner, lessor, or agent via the *Agricultural Lease Abstract* (ADOR Form [82917](#)). See A.R.S. [42-13102](#).

Chapter 2

Agricultural Property Identification

Overview

The assessor is responsible for the identification of agricultural property within the county. Two primary tools the assessor may use to fulfil this duty are the *Agricultural Land Use Application* (ADOR Form [82916](#)) and the *Agricultural Lease Abstract* (ADOR Form [82917](#)), which are filed with the assessor by the owner, lessor, or agent.

Upon receipt of these forms, the assessor must perform a review to determine whether the subject property meets the definition of “agricultural real property” (A.R.S. [42-12151](#)) and satisfies the criteria for classification as “property used for agricultural purposes” (A.R.S. [42-12152](#)). The [table](#) in **Chapter 1** briefly outlines this review process.

Agricultural Land Use Application

To initially apply for agricultural classification of land, a property owner, lessor, or their designated agent must submit a completed *Agricultural Land Use Application* (ADOR Form [82916](#)) to the county assessor. A.R.S. [42-12153\(A\)](#). Until the required application is filed and approved by the assessor, the property must be classified and valued as nonagricultural for ad valorem purposes.

The following information (in addition to parcel identification) is required when filing an *Agricultural Land Use Application*. A.R.S. [42-12153\(A\)](#).

1. Size of the property.
2. Type of crops grown on the land.
3. Type and number of animal units raised on the land.

Note: A.R.S. [37-285\(I\)\(1\)](#) defines “animal unit” as “one weaned beef animal over six months of age, or one horse, or five goats, or five sheep, or the equivalent.”

4. Number of acres leased for agricultural purposes and the lease terms for each parcel.
5. Verification that the property meets the eligibility criteria prescribed in A.R.S. [42-12152](#).

A **completed** application is required by A.R.S. [42-12153\(B\)](#), which states, “If the owner or the owner’s agent fails to file an application form as prescribed in this subsection, the assessor shall not classify the property, on notice of valuation, as being used for agricultural purposes.” Thus, if an incomplete application is filed, the agricultural classification may be rejected.

If there is a change in ownership of property that is classified as agricultural, the new owner must file an application within 60 days after the change in ownership to maintain the agricultural classification. A.R.S. [42-12153\(B\)](#).

Statement of Agricultural Lease

Each lease of agricultural land, or agreement to rent agricultural land, for a period of more than 90 days must be reported to the county assessor by the property owner, lessor, or designated agent by filing an *Agricultural Lease Abstract* (ADOR Form [82917](#)). A.R.S. [42-13102](#). The assessor will utilize the information contained in the abstract to value the agricultural land, as prescribed by A.R.S. [42-13101](#).

Certain changes to a previously reported lease will prompt a requirement to submit a new *Agricultural Lease Abstract*. These include changes in the lease terms, owner, lessor, or lessee of leased agricultural real property. A new abstract must be filed within three months after the change(s) or before January 31, whichever is later. A.R.S. [42-13102\(C\)](#).

The following information is required when filing an *Agricultural Lease Abstract*. A.R.S. [42-13102\(A\)](#).

1. Name and address of the lessor and lessee.
2. Complete legal description of the property.
Note: An assessor parcel number may be substituted for the legal description.
3. Situs address, if any, of the property.
4. Cash or cash equivalent of the lease payments.

5. Conditions of the lease, including any relationship between the parties.
6. Lessor expenses associated with the property (excluding land cost), interest on land cost, income tax depreciation, and capital improvements.

Assessor Review of Application or Abstract

Upon receipt of the *Agricultural Land Use Application* or *Agricultural Lease Abstract*, the assessor should compare data in the application or abstract with data in existing assessor records, such as property identification, ownership information, and other pertinent details. After an initial review, the assessor may need to request additional information from the owner, lessor, or agent, such as the legal description of the property, copies of relevant leases, registered brand information, or financial documents. See A.R.S. [42-15052](#).

Property Inspection

An on-site property inspection is often a vital step in collecting information about a property being considered for agricultural classification. In addition, computerized mapping service tools such as a satellite map application, the State Land Department map viewer, and a GIS system can supplement the property inspection.

Agricultural Real Property Types

After completing a review of the application or abstract and performing a property inspection, one of the foremost considerations of the assessor is to determine whether the subject property meets the definition of “agricultural real property” for property tax purposes. A.R.S. [42-12151](#) defines 12 types of agricultural real property, as follows.

42-12151. Definition of agricultural real property

In this article, unless the context otherwise requires, “agricultural real property” means real property that is one or more of the following:

1. Cropland in the aggregate of at least twenty gross acres.
2. An aggregate ten or more gross acres of permanent crops.

3. Grazing land with a minimum carrying capacity of forty animal units and containing an economically feasible number of animal units.
4. Land and improvements devoted to commercial breeding, raising, boarding or training equine, as defined in section 3-1201 or equine rescue facilities registered with the department of agriculture pursuant to section 3-1350.
5. Land and improvements devoted to high density use for producing commodities.
6. Land and improvements devoted to use in processing cotton necessary for marketing.
7. Land and improvements devoted to use in processing wine grapes for marketing.
8. Land and improvements devoted to use in processing citrus for marketing.
9. Land and improvements devoted to use as fruit or vegetable commodity packing plants that do not cut or otherwise physically alter the produce.
10. Land and improvements owned by a dairy cooperative devoted to high density use in producing, transporting, receiving, processing, storing, marketing and selling milk and manufactured milk products without the presence of any animal units on the land.
11. Land of at least five acres and improvements devoted to algaculture. For the purposes of this paragraph "algaculture" means the controlled propagation, growth and harvest of algae.
12. Land and improvements devoted to agritourism as defined in section 3-111.

Cropland

Cropland is land that is cultivated primarily to produce row or field crops that are planted and harvested on a scheduled rotation. The type of crops grown on cropland include those that are harvested once a year (such as cotton), those with shorter growing periods (such as lettuce and spinach), and those harvested while leaving the root system intact so as to produce additional harvests (such as hay or alfalfa). Cropland must consist of an aggregate of at least 20 gross acres to meet the definition of agricultural real property.

Permanent Crops

Permanent crops are perennial plants, vines, or trees that produce a seasonal or annual crop harvest (in contrast to row or field crops, which are planted and harvested on a scheduled rotation). Examples of permanent crops include fruit trees (such as apples or peaches), citrus trees (such as oranges or grapefruit), nut trees (such as pecans),

grapevines, date trees, olives, jojoba shrubs, and Christmas trees. Permanent crops are considered to be improvements on the land, which must be valued separately from the land. Permanent cropland must consist of an aggregate of at least 10 gross acres to meet the definition of agricultural real property.

Grazing Land

Grazing land is categorized into two types, based upon differences in land management. Rangeland, also known as natural grazing land, is uncultivated land upon which natural vegetation, and in some cases introduced plant species, provide forage for grazing. Pastureland, also known as irrigated grazing land, is cultivated land that is intentionally seeded with both naturally occurring and introduced plant species to provide forage. In addition, pastureland is intensively managed using agronomy and livestock control practices. In either case, the practice of managing land for grazing is commonly known as “ranching”. To meet the definition of agricultural real property, grazing land must have a minimum carrying capacity of 40 animal units and must contain an economically feasible number of animal units.

Rangeland

In terms of total land area, rangeland constitutes the largest agricultural use of land in Arizona. To assist the assessor to ascertain whether a rangeland operation has sufficient carrying capacity to support the required number of animal units, this publication includes the tables found in the [Appendix: Carrying Capacity of Rangeland in Arizona](#). The tables depict estimated carrying capacity in terms of annual animal units per section for individual townships in each Arizona County. These tables are provided as a guide, and should not be considered definitive. Additional resources may be found on the websites of, among others, the U.S. Environmental Protection Agency and the USDA Natural Resources Conservation Service.²

² See, e.g., U.S. Environmental Protection Agency, [Agricultural Pasture, Rangeland and Grazing](#), accessed January 2022; USDA Natural Resources Conservation Service, [Rangelands](#), accessed January 2022.

Pastureland

To assist the assessor to ascertain whether a pastureland operation has sufficient carrying capacity to support the required number of animal units, there are several resources to consider. For example, both The University of Arizona Cooperative Extension³ and the USDA Natural Resources Conservation Service⁴ have published relevant articles. Additional resources may be found on the websites of the U.S. Environmental Protection Agency and the USDA Natural Resources Conservation Service.⁵

Grazing Land Considerations

- In general, pastureland may be considered similar to cropland found in the same vicinity.
- Land used for ancillary functions that are integral to a grazing land operation, such as raising and boarding horses for use on a ranch, should be classified the same as the grazing land operation as a whole, whether rangeland or pastureland.
- If grazing land cannot support the required number of animal units without substantial supplemental feeding, it should be considered high density use agricultural land.

Equine Operation

Equine operations include land and improvements devoted to commercial boarding, breeding, raising, or training, as well as to nonprofit equine rescue facilities that must register annually with the [Arizona Department of Agriculture](#) (see A.R.S. [3-1350](#) and

³ The University of Arizona Cooperative Extension, College of Agriculture and Life Sciences, accessed January 2022: [How Many Animals Can I Graze on my Pasture?: Determining Carrying Capacity on Small Land Tracts](#); [Establishing irrigated pasture at 4,000- to 6,000-foot elevations in Arizona](#); [Establishment of Perennial Irrigated Pastures](#); [Management of Perennial Irrigated Pastures](#).

⁴ USDA, Natural Resources Conservation Service, [Managing Irrigated Pastures: Tips for Southeastern Arizona](#), accessed January 2022.

⁵ See U.S. Environmental Protection Agency, [Agricultural Pasture, Rangeland and Grazing](#), accessed January 2022; USDA Natural Resources Conservation Service, [Pasture Resources](#), accessed January 2022.

Arizona Administrative Code [R3-2-708](#)). The term “equine” is defined in A.R.S. [3-1201\(4\)](#) to mean horse, mule, burro, or ass. There is no minimum acreage requirement for this property type.

Minimum Animal Units

It is recommended that equine operations include a **minimum number** of animal units to be classified as agricultural property, as follows:

- **Boarding:** Ten animal units.
- **Breeding:** Three **fertile** animal units (male and/or female) **and** three breeding activities annually.
Note: Equines used for breeding activity do not need to be owned by the breeding facility owner or operator.
- **Raising:** Ten animal units.
Note: Commercial equine raising operations must be raising equines **for sale**.
- **Training:** No minimum animal unit recommendation.
- **Rescue:** No minimum animal unit recommendation.

Equine Operation Considerations

Regardless of these recommendations, the assessor has discretion under certain circumstances to approve agricultural classification of an equine operation that does not meet the minimum number of animal units. See [Nonconforming Property](#), below. For example, breeding operations that utilize animals possessing highly-desirable genetic attributes, or that conduct artificial insemination, may still qualify with fewer than the recommended three fertile equines or three breeding activities.

The equine operation should not be one that could be considered a hobby. As with all agricultural real property types, to be classified as property used for agricultural purposes, there must be a reasonable expectation of profit. See [Reasonable](#)

[Expectation of Profit](#) in **Chapter 3** below. However, equine rescue facilities must be nonprofit organizations, and therefore are **not** required to have an expectation of profit.

Property and improvements commonly associated with equines, such as equine exhibition facilities, rodeo arenas, or trail riding services, are generally classified as commercial property and do not qualify for agricultural classification.

Equines owned by a person who is “principally engaged in agricultural production”, are exempt from property taxation, pursuant to the Arizona Constitution. Ariz. Const. Art. IX, sec. [13\(2\)](#). A.R.S. [42-11126](#). Generally, animals used for commercial purposes and not held for sale in the normal course of business, are taxable. Such animals are valued at market value. For additional information, refer to [Personal Property](#) in **Chapter 5** below and to Valuation Table 8 in the [Personal Property Valuation Tables and Index](#).

To demonstrate these concepts, consider a rancher who breeds and raises horses. The raising and breeding of horses by the rancher is considered to be an agricultural activity, and therefore, the horses are exempt from property taxation. If the rancher sells a horse to a business that provides trail rides, or to a licensed hunting guide that provides pack animals, the horse then becomes taxable. However, if the rancher sells a horse to an individual who keeps the horse only for personal recreational use, the horse is not taxable.

High Density Agricultural Use

High density agricultural use is the intensive use of land for the production of a high-yield crop or commodity wherein comparatively large amounts of labor and capital are involved per unit of land. Structural improvements and personal property frequently make up a substantial part of the overall property, as with dairies, feedlots, and greenhouses. There is no minimum acreage requirement for this property type.

Examples of high density horticultural uses include:

- Producing fruits or vegetables in an intensively managed environment, such as tomatoes grown in hydroponic gardens or greenhouses.
- Growing flowers, ornamental plants, shrubs, trees, vines, or other horticultural crops in greenhouses or nurseries.
- Raising aquatic plants in a controlled environment to produce commodities.

Examples of high density animal uses include:

- Dairy farm: raising animals in a controlled environment to produce milk and milk products.
- Poultry farm: raising domesticated birds in a controlled environment to produce meat or eggs.
- Feedlot: feeding and finishing livestock for marketing.
- Breeding select livestock, such as registered equines or bovines (other than as a part of a ranching operation).
- Raising aquatic animals in a controlled environment to produce commodities.
- Raising fur-bearing animals in a controlled environment to produce fur.
- Beekeeping.

Cotton Processing

Cotton processing involves the separation of cotton fibers from cotton seeds. A cotton gin is a machine that quickly performs this process, which is thus referred to as “ginning”. After ginning, the raw cotton fiber is compressed into bales for marketing. In conjunction with ginning and baling, storage of cotton bales on-site for a period of 21 or fewer days (a normal industry standard) is considered part of the agricultural use. Land and improvements utilized for cotton processing are considered high density agricultural property.

Processing cotton beyond ginning, or processing cotton byproducts such as seeds, are considered commercial activities. In addition, storing ginned cotton for more than 21 days (i.e., warehousing), whether on-site or off-site, is also a commercial activity. As such, land and improvements used for these activities should be classified as commercial property Class One.

Wine Grape Processing

Processing wine grapes includes washing, grading, sorting, packing, and extracting juice through the bulk fermentation process. Land and improvements used for these activities are considered high density agricultural property. However, any property used for bottling, retail sales, storage, wine tasting, or warehousing of finished products should be classified as commercial property Class One.

Citrus Processing

Citrus processing includes the initial series of operations that are performed to enable citrus fruit to be marketed after harvest. For citrus intended to be table fruit, processing includes washing, grading, sorting, and packing. For citrus used solely for juice, processing includes the conversion of solid fruit into bulk juice. Land and improvements used for these activities are considered high density agricultural property.

Processing activities beyond those set forth above are considered commercial activities, including treatment occurring after the first sale, such as bottling, or additional treatment performed at a distribution center. Property that is used for these or other activities beyond direct processing of citrus for marketing, including warehouses, cooling and refrigeration facilities, and loading docks, should be classified as commercial property Class One.

A.R.S. [3-441\(4\)](#) defines “citrus” or “citrus fruit” as “the fruit of any orange, lemon, lime, grapefruit, tangerine, kumquat or other citrus tree that produces edible citrus fruit suitable for human consumption.”

Fruit or Vegetable Packing

Fruit or vegetable packing involves the process of taking fruit or vegetables from the tree or field and placing them in a box or container for sale and shipment to a reseller or ultimate consumer. Examples of acceptable activities include washing, grading, sorting, wrapping, and packing, but **not** cutting or other physical alteration of the produce. Land and improvements used for these activities are considered high density agricultural property.

Examples of activities that involve physical alteration include chopping, coating, peeling, waxing, or other processing that changes the fruits or vegetables from their natural condition as harvested. Land and improvements used for these purposes are to be classified as commercial property Class One.

Dairy Cooperative

A dairy cooperative is an enterprise owned, operated, and controlled by the dairy farmers who benefit from its services. Such services may include marketing, processing, producing, receiving, selling, storing, and transporting milk and milk products, but **without** the presence of any animal units on the land. A dairy farm is **not** considered to be a dairy cooperative operation. Land and improvements used for dairy cooperative activities are considered high density agricultural property.

Algaculture

Algaculture is the controlled propagation, growth, and harvest of algae. Algae are a diverse group of aquatic plants that includes seaweeds and many single-celled forms. Like other plants, algae contain chlorophyll and produce their own food using photosynthesis, but lack true leaves, roots, stems, and vascular structures. Land and improvements used for algaculture are considered high density agricultural property. Land used for algaculture must consist of at least five gross acres to meet the definition of agricultural real property.

Agritourism

Agritourism refers to recreational or educational endeavors that bring visitors to experience the activities that occur on property that meets the definition of agricultural real property. A.R.S. [3-111\(2\)](#) defines agritourism as follows:

“Agritourism” means any activity that allows members of the general public, for recreational or educational purposes, to view, enjoy or participate in rural activities, including farming, ranching, historical, cultural, u-pick, harvest-your-own produce or natural activities and attractions occurring on property defined as agricultural real property pursuant to section 42-12151 if the activity is conducted in connection with and directly related to a business whose primary income is derived from producing livestock or agricultural commodities for commercial purposes.

Mixed-Use Agricultural Commodity Processing

Generally, processing agricultural commodities is considered a commercial activity; thus, land and improvements used to process agricultural commodities should be classified as commercial property Class One. The only exceptions to this general rule are found in A.R.S. [42-12151 \(6\) through \(10\)](#), and include cotton processing, wine grape processing, citrus processing, fruit or vegetable packing, and commodity processing carried out by dairy cooperatives.

If agricultural real property is used both to produce and to process an agricultural commodity (not including the exceptions listed above), the producing portion of the property would be classified as agricultural, while the processing portion would be classified as commercial. Such a case would require a mixed-use assessment. For instructions on determining mixed-use assessment percentages for agricultural properties that involve multiple uses, refer to the Department publication entitled [*Determining Mixed-Use Percentages and Assessment Ratios*](#).

Chapter 3

Agricultural Property Classification

Agricultural Classification Eligibility Criteria

In addition to meeting the definition of “agricultural real property” set forth in A.R.S. [42-12151](#), a property must meet the four eligibility criteria prescribed in A.R.S. [42-12152](#) to be classified as “property used for agricultural purposes”. These criteria may be summarized as follows:

1. The primary use of the property is as “agricultural land”.
2. The property has been in active production for at least three of the last five years.
3. There is a reasonable expectation of operating profit, exclusive of land cost, from the agricultural use.
4. If noncontiguous, all parcels must be managed and operated on a unitary basis.

Primary Use

This requirement, found in in A.R.S. [42-12152\(A\)\(1\)](#), stipulates that “[t]he primary use of the property is as agricultural land[.]” This means that the property meets the definition of “agricultural real property” as one or more of the 12 types of agricultural property described in A.R.S. [42-12151](#). The primary use requirement pertains to the entire agricultural property unit as a whole, meaning that all of the land must be used together as an integrated agricultural economic operation (e.g., farm, ranch, or agribusiness).

The interpretation of the phrase, “primarily held or used” (found in A.R.S. [42-11155](#)), by the Arizona Court of Appeals is informative with respect to the meaning of the term “primary use”. The court stated:

We interpret words of a statute “according to the common and approved use of the language.” A.R.S. § 1–213 (2002). Thus, “primarily” means “first of all,” “principally,” or “fundamentally.” 12 Oxford English Dictionary 472 (2d ed. 1989); Webster’s Third New International Dictionary 1800 (2002); Webster’s Seventh New Collegiate Dictionary 675 (1970).⁶

⁶ [Tucson Botanical Gardens, Inc. v. Pima County](#), 218 Ariz. 523, 527, 189 P.3d 1096, 1100 (App. 2008).

Active Production

The active production requirement provides that to be eligible for agricultural classification, a property must have been “in active production according to generally accepted agricultural practices for at least three of the last five years.” A.R.S. [42-12152\(A\)\(1\)](#). There are several exceptions to the active production requirement. A.R.S. [42-12152 \(A\)\(1\) and \(B\)](#). Specifically, an agricultural property will still be considered in active production, **even if** the land is currently inactive due to:

- Acts of God, but not for a period of more than 12 months.
- Participation in a federal farm program that allows voluntary land conserving uses.
- Participation in a scheduled crop rotation plan.
- Temporary or partial reduction in, or transfer of, available water supply or water allotments.
- Reduced carrying capacity or adherence to generally accepted range management practices.
- Relocation of a feedlot or dairy operation.

As an example, consider a farm consisting of 40 acres. Due to drought conditions, the available water supply is reduced, so that only 30 acres of the farm can be in active production at any one time. Nevertheless, if the farm meets the requirements of A.R.S. [42-12152\(A\)\(1\)\(c\)](#), the entire 40 acres will still be considered in active production and the whole farm will qualify for agricultural classification.

Reasonable Expectation of Profit

To be eligible for agricultural classification, there must be a reasonable expectation that the agricultural use of the property will generate an operating profit, exclusive of the cost of the land. A.R.S. [42-12152\(A\)\(2\)](#). This requirement “is satisfied if the owner files with the assessor an affidavit of agricultural use, signed by the owner attesting that all information in the affidavit is true and the property is actively producing with an

expectation of profit.” A.R.S. [42-12152\(C\)](#). The Affirm and Attest section of the *Agricultural Land Use Application* (ADOR Form [82916](#)) can serve as an affidavit of agricultural use. The affidavit of agricultural use is signed under oath, so any false statement made in the affidavit may constitute perjury.

The affidavit of agricultural use is all that is required by statute, and thus carries considerable weight. Nevertheless, in rare cases of need the assessor may “[r]equest information...that bears on reporting or valuing taxable property”; may examine books, invoices, maps, and papers; and may even summon witnesses to provide required information. A.R.S. [42-15052 \(2\) through \(4\)](#). The following are examples of what the assessor might need to verify with respect to an agricultural activity:

- The activity is conducted as a business, rather than as a hobby or for recreation.
- The time and effort expended in carrying out the activity.
- Whether those involved have prior established success in other similar activities.
- The history and amount of operating profits or losses for the activity.

A person who knowingly fails or refuses to provide information or material required by the assessor, or who knowingly provides or verifies false or fraudulent information, is guilty of a class two misdemeanor. A.R.S. [42-15055 \(A\) and \(B\)](#).

Noncontiguous Parcel Management

The fourth eligibility requirement for agricultural classification addresses properties consisting of noncontiguous parcels. Parcels that make up an agricultural operation do not need to be contiguous, and they do not need to be owned by the same owner. For example, an agricultural operation may have crops on one or more parcels and have equipment storage or headquarters on a separate, noncontiguous parcel. However, all parcels in the agricultural operation must be managed and operated on a unitary basis, and each parcel must make a functional contribution to the agricultural operation as a whole. A.R.S. [42-12152\(A\)\(3\)](#). Whether a parcel makes a functional contribution to the

agricultural operation depends on whether the agricultural use of that parcel provides a positive economic benefit.⁷

Nonconforming Property

Pursuant to A.R.S. [42-12154](#), the assessor has latitude to approve or continue the agricultural classification of property even if that property does not conform to certain requirements found in A.R.S. [42-12151](#) and [42-12152](#).

Specifically, the assessor may **approve** agricultural classification of property that has fewer than the minimum number of acres or animal units, or property that has been in active agricultural production for less than three of the last five years. A.R.S. [42-12154\(A\)](#). The assessor also may **continue** agricultural classification of owner occupied property if a change in classification would cause hardship to the owner or if the property has fewer than the minimum number of animal units, as long as the number of animal units is equal (as far as practicable) to the carrying capacity of the property. A.R.S. [42-12154 \(A\)\(2\) and \(B\)](#).

The statute does not provide any criteria or guidance to assist the assessor to determine the meaning of “hardship” or what might constitute an acceptable nonconforming number of acres, animal units, or years of active production. Therefore, the assessor must use discretion in deciding whether to approve or continue agricultural classification of nonconforming property under each unique set of circumstances, examples of which might include:

- Grazing land with fewer than 40 animal units.
- Permanent crops that have been planted, but have yet to produce a harvest.
- Land entering active agricultural production for the first time with no history of the same, but with significant progress toward active agricultural production.

⁷ [100 Val Vista/Montgomery, LLC v. Pinal County](#), 247 Ariz. 50, 54, 445 P.3d 7, 11 (App. 2019).

- Land that was previously in active agricultural production and that has returned to active agricultural production after a period of nonproduction.

The assessor may also consider approving agricultural classification of a nonconforming property that meets or even exceeds the production levels of typical properties due to the use of exceptional agricultural practices. Such practices might include planting new or experimental crops, harvesting two or more crops of the same variety per year, or using other innovative practices. For example, an agricultural operation may consist of one or more parcels of cropland that total less than the minimum 20 acres required by statute. However, through careful cultivation and unconventional growing techniques, the nonconforming cropland produces a significantly greater yield per acre compared to typical cropland in the area consisting of 20 or more acres. In this situation, the assessor may also need to decide whether the farming techniques are more consistent with cropland use or with high-density use and determine the property value accordingly.

Although the assessor may use discretion in approving agricultural classification for nonconforming land with fewer than the required number of acres, animal units, or years of active production, the assessor does not have discretion in all areas. There must still be a reasonable expectation of operating profit, exclusive of land cost, from the agricultural use of the property. A.R.S. [42-12152\(A\)\(2\)](#). Additionally, if the property consists of noncontiguous parcels, all parcels in the agricultural operation must be managed and operated on a unitary basis, and each parcel must make a functional contribution to the agricultural use of the property. A.R.S. [42-12152\(A\)\(3\)](#).

Chapter 4

Agricultural Property Valuation

Statutory Valuation Procedure

In Arizona, land approved for agricultural classification must be valued using only the income approach, without any allowance for urban or market influences. A.R.S. [42-13101\(A\)](#). The elimination of urban or market influences is accomplished by utilizing a specific valuation procedure set forth in statute, which includes defined components for the income and capitalization rate. The full text of the valuation statute follows.

42-13101. Valuation of agricultural land

- A. Land that is used for agricultural purposes shall be valued using only the income approach to value without any allowance for urban or market influences.
- B. The income^[8] of agricultural property shall be determined using the capitalized average annual net cash rental of the property. For purposes of this subsection the average annual net cash rental of the property:
 1. Is the average of the annual net cash rental, excluding real estate and sales taxes, determined through an analysis of typical arm's length rental agreements collected for a five year period before the year for which the valuation is being determined for comparable agricultural land used for agricultural purposes and located in the vicinity, if practicable, of the property being valued.
 2. Shall be capitalized at a rate 1.5 percentage points higher than the average long-term annual effective interest rate for all new farm credit services loans for the five year

Average Annual Net Cash Rental

The statutorily defined income component used to calculate the value of agricultural land is called the "average annual net cash rental". The average annual net cash rental is determined by the assessor through an analysis of typical arm's length agricultural leases from the preceding five years for comparable agricultural land in the vicinity of the subject property. A.R.S. [42-13101\(B\)\(1\)](#). The lease data used to determine the average annual net cash rental is collected via the statement of agricultural lease, which must be filed with the assessor by the property owner, lessor, or agent using the

⁸ The method set forth in A.R.S. [42-13101\(B\)](#) describes how to determine the **value** of agricultural property, not merely its income.

Agricultural Lease Abstract (ADOR Form [82917](#)). A.R.S. [42-13102](#). Because the income component is based upon rents paid for land used strictly for agricultural purposes, the resulting land full cash value is inherently devoid of any urban or market influences.

Statutory Capitalization Rate

Pursuant to A.R.S. [42-13101\(B\)\(2\)](#), the capitalization rate used to value agricultural land is the average of the annual effective interest rates that are charged by Farm Credit West on new long-term loans over the preceding five years, plus 1.5 percentage points. The average annual effective interest rate is provided to the Department by Farm Credit West every year. The Department computes the five-year average, adds the 1.5 percentage points required by statute, and publishes the capitalization rate to be used by assessors for the following tax year. The table below illustrates the development of a sample statutory capitalization rate.

Year	Average Annual Effective Interest Rate	
Year 1 (34 loans)		3.89%
Year 2 (19 loans)		4.12%
Year 3 (46 loans)		4.29%
Year 4 (43 loans)		4.15%
Year 5 (51 loans)		+ 4.25%
Total		20.70%
Five-Year Average Annual Effective Interest Rate	$\frac{20.70\%}{5}$	= 4.14%
Statutory Percentage Points		+ 1.50%
Statutory Capitalization Rate		= 5.64%

Income Approach to Value

Once the assessor determines the average annual net cash rental and obtains the capitalization rate from the Department, the value of agricultural land can be determined as directed by statute using the IRV formula (I = Income, R = Rate, V = Value).

$$\frac{\text{(I) Average Annual Net Cash Rental}}{\text{(R) Capitalization Rate}} = \text{(V) Land Full Cash Value}$$

Valuation Procedures

The procedures used to determine the average annual net cash rental necessary to establish agricultural land values may be summarized as follows:



Identify Agricultural Operation Types

The assessor must first identify the various agricultural operation types present in the county according to their particular agricultural uses. Major categories could include cropland, rangeland, pastureland, and high-density use.

Divide County into Agricultural Productivity Zones

Once the major categories are identified, the assessor should be able to divide the county into zones by agricultural operation type, herein called “agricultural productivity zones”. This is accomplished by identifying properties within the major categories that possess similar characteristics. For example, to identify particular agricultural productivity zones, the cropland category could be subdivided by irrigation district, and the rangeland category could be subdivided by productivity level. Identifying zones such

as these will assist the assessor to determine land values *per acre* or *per animal unit* for each particular agricultural use.

Collect Lease Data by Agricultural Productivity Zone

Lease abstracts selected by the assessor for evaluation should be representative of agricultural leases in each agricultural productivity zone. In making this determination, the following questions should be considered:

- Is the property in the lease abstract one that is typical of local agricultural properties/operations?
- Are the lease terms comparable to typical leases for similar uses in the area?
- Is the lease a bona fide lease, one that reflects a true arm's length agreement with terms typical of such agreements, such as the lease term, the lease amount, and provisions that set forth various rights and obligations of the parties typical in such agreements?
- Is the rental amount consistent with that of typical leases of similar properties in the area?

In some instances, there may be a shortage of lease information available for a particular agricultural productivity zone. This is often true with respect to high-density agricultural uses. In such cases, lease information from other zones within the county, or from nonconfidential sources outside the county, may need to be used. However, the assessor should ensure that properties subject to such outside leases have characteristics as similar as possible to properties in the zone being analyzed. Such characteristics might include carrying capacity, climate, crop type and productivity, production costs, soil type, water quantity and quality, etc. The use of agricultural lease information from other zones or sources outside the county requires the prudent exercise of discretion, opinion, and judgment by the assessor. In addition, the information utilized must be thoroughly documented and regularly reviewed.

Analyze Lease Data

After collecting data from representative lease abstracts, the assessor should begin by analyzing each lease and the associated expenses in order to determine the average annual net cash rental.



Lease Analysis

While analyzing lease data, the assessor should carefully consider several factors. Optimum leases for data extraction are those that provide for payment in cash or cash equivalent, extend through full calendar years, constitute typical arm's length agreements, and are not made between related parties.

Cash or cash equivalent. A.R.S. [42-13102\(A\)\(4\)](#) requires that each lease abstract must include the "cash or cash equivalent of the lease payments" for each reported lease. This information is essential to accurately determine the average annual net cash rental. Thus, abstracts that report lease payments that are non-typical, in forms other than cash, or appear to be non-arm's-length, should be excluded from the analysis.

Partial-year leases. Partial-year leases for agricultural land may be typical in areas where the climate allows for multiple growing seasons. In order to calculate an annual cash rental amount from partial-year leases, the reported information must be combined to reflect a single, year-long lease.

For example, assume land is leased in March at \$20 per acre per month for six months. In November, the same land is leased at \$15 per acre per month for three months. The land is considered incapable of production for the balance of the year. To determine an annual gross cash rental for the leased land, the leases must be combined, as in the following example.

Annual Gross Cash Rental			
\$	20 per acre x 200 acres	=	\$ 4,000 x 6 months = \$ 24,000
\$	15 per acre x 200 acres	=	\$ 3,000 x 3 months = \$ 9,000
\$	0 per acre x 200 acres	=	\$ 0 x 3 months = \$ 0
Totals		=	12 months = \$ 33,000
Annual Gross Cash Rental per Acre			
		$\frac{33,000}{200}$	= \$ 165

Public land leases. Leases of public land often do not reflect true arm's length agreements or typical rental amounts paid for leases of private land. It is a common ranching practice to lease public land from a government agency based on a government formula that results in a reduced lease rate. Such leases should be excluded from the lease analysis.⁹

However, in the ranching rental market, many typical leases include subleased public land. For example, a private party lessee of public land might sublease all or part of that land to an unrelated private party at a rate that is typical for the associated agricultural productivity zone. In such a case, it is within the assessor's discretion to use the sublease in the analysis of the zone, because the sublease is an arm's length agreement between unrelated private parties.¹⁰

Thus, if ranching operations include subleased public land, the assessor must analyze the subleases to determine whether the terms and conditions are comparable to typical private land leases in the zone. If the subleases are essentially comparable, the assessor should include them in the lease analysis.¹¹ *The Agricultural Lease Abstract*

⁹ See [Arizona Cattle Growers Ass'n, et al. v. Yavapai County](#), para. 13 (App. 2016). This case is a Memorandum Decision, and is not precedent, but is cited here for consideration.

¹⁰ *Ibid.*, para. 15.

¹¹ *Ibid.*

(ADOR Form [82917](#)) includes a section for identifying subleased public land that is included in the reported lease.

Expense Analysis

Allowable annual lessor expenses are reported on the *Agricultural Lease Abstract*. The assessor must subtract the allowable lessor expenses from the annual gross rental income to obtain the annual net cash rental.

Allowable lessor expenses. A.R.S. [42-13101\(B\)\(1\)](#) defines, in part, the average annual net cash rental as, “the average of the annual net cash rental, excluding real estate and sales taxes”. Thus, both real estate taxes and sales taxes are allowable expenses that should be subtracted from the annual gross cash rental (unless passed along to the lessee for payment). Other allowable expenses include “lessor expenses associated with the property” (A.R.S. [42-13102\(A\)\(6\)](#)), meaning only those costs paid by the lessor that are **directly related** to the production of rental income from the land, **not** the normal operating costs of the agricultural operation itself.

Examples of allowable expenses include costs for items such as deep ripping, insect and weed eradication assessments, insurance, irrigation district assessments (only the portion levied for construction and maintenance, not for water delivery¹²), laser leveling, maintenance and repairs, management costs, and grazing fees and sublease surcharges for government land leased to the lessee.

Note: Allowable expenses may be passed along by the lessor to the lessee by adding the expense amounts to the rental payments made by the lessee. However, any allowable lessor expenses passed on by the lessor to the lessee (such as property taxes or sublease surcharges for government land) are no longer allowable lessor expenses.

¹² The portion of the irrigation district assessment that is for water delivery is an operating cost of the agricultural operation, and thus cannot be subtracted as one of the allowable “lessor expenses associated with the property”. A.R.S. [42-13102\(A\)\(6\)](#).

Non-allowable lessor expenses. As stated above, normal operating costs of the agricultural operation should not be subtracted from the annual gross cash rental. Operating costs may include expenses for the production of the crop or commodity itself, such as seed, fertilizer, irrigation district assessments (only the portion levied for water delivery, not for construction and maintenance¹³), and lessee equipment and labor costs. And, if grazing fees and/or sublease surcharges for government land are passed on to the lessee by the lessor, then they are no longer allowable expenses. Non-allowable expenses also include “land cost, interest on land cost, income tax depreciation and capital improvements.” A.R.S. [42-13102\(A\)\(6\)](#).

After separating allowable from non-allowable expenses, the assessor should apply the following equation to obtain the annual net cash rental for each lease analyzed:

$$\begin{array}{r} \text{Annual Gross Cash Rental} \\ - \text{Real Estate \& Sales Taxes} \\ - \text{Other Allowable Expenses} \\ \hline = \text{Annual Net Cash Rental} \end{array}$$

Determine Average Annual Net Cash Rental

As required by A.R.S. [42-13101\(B\)\(1\)](#), the assessor must obtain and analyze leases from each specific agricultural productivity zone for a period of five years in order to obtain sufficient data to calculate the average annual net cash rental. The average annual net cash rental is used as the income component to be capitalized for the valuation of agricultural land in each zone.

After the analysis of individual leases, the assessor should compile the individual lease data to calculate the five-year average annual net cash rental. The following section provides examples of this process.

¹³ The portion of the irrigation district assessment that is for construction and maintenance is an allowable lessor expense of the agricultural operation, and thus can be subtracted as one of the allowable “lessor expenses associated with the property”. A.R.S. [42-13102\(A\)\(6\)](#).

Example Lease Data Analyses and Agricultural Land Valuation

The following simple examples demonstrate how to utilize lease data to determine and capitalize the average annual net cash rental and establish the value of agricultural land. The most common units of comparison used with the average annual net cash rental are *per acre* and *per animal unit*.

Lease Data Analysis and Valuation of Cropland

Annual Net Cash Rental per Acre

The following example demonstrates how to utilize the basic formula set forth above to determine the annual net cash rental per acre for a lease of 340 acres of crop land with an annual gross cash rental of \$68,000.

Annual Gross Cash Rental		\$ 68,000		
– Real Estate and Sales Taxes	\$ (11,560)			
– Irrigation District Assessment	\$ (6,630)			
– Other Allowable Expenses	\$ (3,570)			
(Total Lessor Expenses)		– \$ (21,760)		
Annual Net Cash Rental		= \$ 46,240		
Annual Net Cash Rental per Acre	$\frac{46,240}{340}$	= \$		136

Average Annual Net Cash Rental per Acre

Once the assessor has analyzed the individual leases from a particular agricultural productivity zone for the preceding five years, the individual annual net cash rental rates are compiled in order to identify both the **mean and median average** annual net cash rental per acre for the zone. As part of this analysis, the assessor will decide whether the mean or the median average provides the best estimate of value. For simplicity, only the mean average is used to calculate values in the examples below.

The following example demonstrates the calculation of the mean and median average annual net cash rental per acre using data from 17 individual cropland leases.

Lease	Annual Net Cash Rental per Acre	
1	\$	124
2	\$	126
3	\$	127
4	\$	128
5	\$	130
6	\$	133
7	\$	134
8	\$	135
9	(median average)	\$ 136
10	\$	142
11	\$	144
12	\$	146
13	\$	149
14	\$	153
15	\$	155
16	\$	158
17	+ \$	160
Total		\$ 2,380
Mean Average Annual Net Cash Rental per Acre	$\frac{2,380}{17}$	= \$ 140

Cropland Valuation per Acre

Once the assessor determines the average annual net cash rental per acre, it is divided by the capitalization rate provided by the Department (5.64% in this example) to establish the value of agricultural land in that zone.

Cropland Value per Acre	
Average Annual Net Cash Rental per Acre	\$ 140
Statutory Capitalization Rate	.0564
	= \$ 2,482

Lease Data Analysis and Valuation of Rangeland

Units of Comparison for Rangeland

Rangeland may be valued per acre or per animal unit (AU). However, typical rangeland leases are commonly negotiated based on animal unit carrying capacity, because it is a better measure of productivity than acreage. Thus, in the rangeland rental market there is usually more consistency in rent per animal unit than in rent per acre.

To demonstrate this concept, consider the following example of two rangeland leases of 5,000 acres, one with a carrying capacity of 40 animal units, and one with a carrying capacity of 80 animal units. In this example, both leases require the same rent per animal unit, yet because of the difference in carrying capacity, there is a wide difference in rent per acre.

Rangeland Lease A: 40 AU Carrying Capacity	
Annual Net Cash Rental	= \$ 4,320
Annual Net Cash Rental per AU	$\frac{4,320}{40} = \$ 108$
Annual Net Cash Rental per Acre	$\frac{4,320}{5,000} = \$ 0.86$

Rangeland Lease B: 80 AU Carrying Capacity			
Annual Net Cash Rental		=	\$ 8,640
Annual Net Cash Rental per AU	$\frac{8,640}{80}$	=	\$ 108
Annual Net Cash Rental per Acre	$\frac{8,640}{5,000}$	=	\$ 1.73

Annual Net Cash Rental per Animal Unit — Known Carrying Capacity

The following example demonstrates how to determine the annual net cash rental per animal unit for a lease of 17,200 acres of rangeland (12,000 public and 5,200 private) that has a reported annual carrying capacity of 300 animal units and an annual gross cash rental of \$28,000.

Annual Gross Cash Rental			\$ 28,800
– Real Estate and Sales Taxes	\$ (1,500)		
– Public Land Grazing Fee	\$ (6,240)		
– Public Land Sublease Surcharge	\$ (1,560)		
– Other Allowable Expenses	\$ (2,700)		
(Total Lessor Expenses)		–	\$ (12,000)
Annual Net Cash Rental		=	\$ 16,800
Annual Net Cash Rental per AU	$\frac{16,800}{300}$	=	\$ 56

Annual Net Cash Rental per Animal Unit — Unknown Carrying Capacity

In the preceding example, the annual carrying capacity was reported by the lessor on the *Agricultural Lease Abstract* (ADOR Form [82917](#)), but this is not always the case. If

the carrying capacity is not reported, the assessor can estimate it before determining the annual net cash rental per animal unit.

The following example demonstrates how to calculate the estimated annual carrying capacity of 2,880 acres of leased rangeland in Pinal County, located in Township 8 South, Range 18 East, which has an estimated annual carrying capacity of 8 animal units per section. See [Appendix: Carrying Capacity of Rangeland in Arizona](#).

Step 1: Calculate Number of Sections			
Leased Acres	2,880	=	4.50
Acres per Section	640		
Step 2: Calculate Annual Carrying Capacity			
Sections			4.50
Carrying Capacity Rate		x	8
		=	36

Having determined the estimated annual carrying capacity of 36 for the subject rangeland, the assessor can calculate the annual net cash rental per animal unit. In this example the annual gross cash rental is \$3,906.

Annual Gross Cash Rental		\$	3,906
– Real Estate Tax	\$	(828)	
– Other Allowable Expenses	\$	(450)	
(Total Lessor Expenses)		-	\$ (1,278)
Annual Net Cash Rental		=	\$ 2,628
Annual Net Cash Rental per AU	2,628	=	\$ 73
	36		

Average Annual Net Cash Rental per Animal Unit

After analyzing the individual leases from the preceding five years, the individual annual net cash rental rates are compiled in order to calculate both the **mean and median average** annual net cash rental per animal unit for the zone. As part of this analysis, the assessor will decide whether the mean or the median average provides the best estimate of value. For simplicity, only the mean average is used to calculate values in the examples below.

The following example demonstrates the calculation of the mean and median average annual net cash rental per animal unit using data from 15 individual rangeland leases.

Lease	Annual Net Cash Rental per AU
1	\$ 44
2	\$ 45
3	\$ 47
4	\$ 50
5	\$ 54
6	\$ 56
7	\$ 60
8	(median average) \$ 61
9	\$ 63
10	\$ 65
11	\$ 72
12	\$ 73
13	\$ 76
14	\$ 81
15	+ \$ 84
Total	\$ 931
Mean Average Annual Net Cash Rental per AU	$\frac{931}{15} = \$ 62$

Rangeland Valuation per Animal Unit

Once the assessor determines the average annual net cash rental per animal unit, it is divided by the capitalization rate provided by the Department (5.64% in this example) to establish the value of agricultural land in that zone.

Rangeland Value per AU		
Average Annual Net Cash Rental per AU	\$ 62	= \$ 1,099
Statutory Capitalization Rate	.0564	

Rangeland Valuation According to Carrying Capacity

The value of rangeland per animal unit needs to be converted to a value per acre for each carrying capacity rate in the county. The following three examples demonstrate this process for rangeland with estimated annual carrying capacities of 4, 6, and 8 animal units per section. See [Appendix: Carrying Capacity of Rangeland in Arizona](#).

Rangeland Valuation – Carrying Capacity of 4 AU per Section			
Step 1: Calculate Rangeland Value per Section			
Rangeland Value per AU		\$	1,099
Carrying Capacity Rate per Section		x	4
		=	\$ 4,396
Step 2: Calculate Rangeland Value per Acre			
Rangeland Value per Section	\$ 4,396	=	\$ 6.87
Acres per Section	640		

Rangeland Valuation – Carrying Capacity of 6 AU per Section			
Step 1: Calculate Rangeland Value per Section			
Rangeland Value per AU		\$	1,099
Carrying Capacity Rate per Section		x	6
		=	\$ 6,594
Step 2: Calculate Rangeland Value per Acre			
Rangeland Value per Section	\$ 6,594	=	\$ 10.30
Acres per Section	640		

Rangeland Valuation – Carrying Capacity of 8 AU per Section			
Step 1: Calculate Rangeland Value per Section			
Rangeland Value per AU		\$	1,099
Carrying Capacity Rate per Section		x	8
		=	\$ 8,792
Step 2: Calculate Rangeland Value per Acre			
Rangeland Value per Section	\$ 8,792	=	\$ 13.74
Acres per Section	640		

Valuation Considerations within the Agricultural Operation

Employee Housing

The land associated with residential structures used for occupancy by seasonal or full-time agricultural employees is to be valued the same as agricultural land, consistent with the particular use of the overall operation, but the improvements are to be classified and valued as residential property Class Four. A.R.S. [42-12004\(A\)\(7\)](#).

Guest Ranch

A guest ranch is defined in A.R.S. [42-13551](#), which states:

For the purposes of this article, “guest ranch” means real property and improvements to property being used as a guest ranch that meets all of the following:

1. Consists of at least one thousand contiguous acres that are any of the following:
 - (a) Private property adjacent to the headquarters.
 - (b) Leased property adjacent to the headquarters. For the purposes of this subdivision, the lease agreement may be for private or public real property and must be in writing and include riding rights.
 - (c) Public land that is subject to a riding permit.
2. Provides recreational activities that include horseback riding, hiking, biking or a working cattle ranch experience for guests.
3. Has an organized and supervised horse program on the property with a horse herd that consists of a number of horses that is equal to or greater than the total number of guest accommodations.
4. Uses at least one permanent structure that has running water, sewage disposal and a kitchen.
5. Provides guests with three meals each day as part of the guest ranch’s primary package, commonly referred to as the “American plan”.
6. Includes the word “ranch” or “rancho” in the guest ranch’s name.

A guest ranch, as defined in A.R.S. [42-13551](#), is classified as property Class Two in A.R.S. [42-12002 \(1\)\(e\) and \(2\)\(e\)](#), and is subject to the considerations and restrictions found in A.R.S. [42-13552](#), quoted below.

42-13552. Deed restriction on guest ranch use; covenants; violation; penalty

- A. As a condition for valuation under this article, the owner of a guest ranch shall record a deed restriction with the county recorder and file a copy of the restriction with the county assessor that restricts the property to use as a guest ranch for at least ten years. The deed restriction must be refiled as necessary to ensure that the deed restriction always applies for at least ten years. For initial valuation under this article, the deed restriction must be filed on or before August 31 of the year preceding the valuation.

- B. The valuation of a guest ranch under this section constitutes a covenant between the county assessor and the owner of the guest ranch that the use of the property will remain unchanged for the duration of the deed restriction.
- C. The county assessor shall maintain a record of the value of the property determined under this article and the value of the property if it had not been determined under this article. The assessor shall maintain the record for at least ten years for use in computing the penalty under subsection D of this section if the property is converted to a different use in violation of the covenant.
- D. If the property is converted to a different use in violation of the covenant, the owner shall notify the county assessor of the change in use. The county assessor shall add to the tax levied against the property on the next tax roll a penalty equal to the difference between the total amount of property taxes that would have been levied on the property for the preceding ten years or the period of time the property was valued under this section, whichever period is shorter, if the property had not been valued under this section and the property taxes that were actually paid for the same period. The penalty due under this subsection shall be paid before the next property tax roll is completed and is enforceable and subject to the same penalties and interest as if the penalty were a tax levied against the property.

Headquarters Land

Headquarters land is land that is central to an agricultural operation because it includes improvements necessary to the operation, such as barns, corrals, machinery storage, sheds, etc. However, headquarters land does not include homesite land. Headquarters land should be valued at the same level as agricultural land, consistent with the overall operation, and may be included in gross acreage to meet minimum acreage requirements necessary for agricultural use classification.

Homesite Land

Land used for a homesite shall be classified as property Class Three or Four, with a 10 percent assessment ratio. Homesite land is to be valued using standard appraisal methods and techniques, rather than the statutorily prescribed income capitalization method used for agricultural land. The size of homesite land is limited by statute, and

may be up to 10 acres on a single parcel or more than 10, but not more than 40, acres on a single parcel if the parcel is zoned exclusively for residential purposes or is subject to legal restrictions or physical conditions that prevent division of the parcel. A.R.S. [42-12003 \(B\)\(1\) and \(B\)\(2\)](#) and [42-12004 \(1\)\(a\) and \(1\)\(b\)](#). For additional information, refer to the Department publication entitled [Residential Homesites](#).

Improvements on Possessory Rights

Improvements on possessory rights (IPRs) are buildings, structures, or other improvements located on land that is not owned by the owner of the improvements. Improvements on possessory rights may be situated on land that is taxable or nontaxable. Improvements on possessory rights located on taxable land are classified and valued according to current use. Improvements on possessory rights located on nontaxable land may be subject to the statutes quoted below.

- A “possessory improvement...located on federal, state, county or municipal property or the property of another political subdivision of this state that is owned by a nongovernmental possessor” (A.R.S. [42-15301](#)):
 - Must be valued using standard appraisal methods and techniques. A.R.S. [42-15302](#).
 - Is subject to a limited property value (LPV) (i.e., “is not subject to the exemption [from LPV] for personal property”). A.R.S. [42-15303](#).
 - “[M]ay be placed on the real property roll.” A.R.S. [42-15304\(A\)](#).
 - “[S]hall be subject to procedures for delinquent taxes as real property”. A.R.S. [42-15304\(B\)](#).
- “Improvements, appurtenances, wells, stock tanks and any other fixed property that is located on unpatented land, a mining claim or state land not secured by patented real property...shall be valued as personal property.” A.R.S. [42-19003\(A\)\(1\)](#).
- “A lessee of state land shall maintain all improvements that are pertinent to the lease in serviceable condition for the term of the lease and shall not remove any

improvement without written authorization from the department except as provided by subsection B. All improvements placed upon state land shall, until they become the property of the state, be subject to assessment for taxes in the name of the owner, as other property.” A.R.S. [37-322.03\(A\)](#).

Improvements *on* Privately-Owned Agricultural Land

Improvements **on** agricultural land, such as buildings (nonresidential) and other structures, will vary significantly according to the specific production needs of each agricultural operation. Improvements on agricultural land should be classified as agricultural property Class Two and valued at full cash value using standard appraisal methods and techniques, rather than the statutorily prescribed income capitalization method used for agricultural land.

Improvements *to* Privately-Owned Agricultural Land

Improvements **to** agricultural land include basic and essential improvements to the land upon which the agricultural operation is inherently dependent (i.e., without these improvements the land could not be farmed, ranched, etc.). Generally, such improvements are not valued separately, but as an integral part of the land, because they are combined with the land to make it viable for its current use. See, e.g., A.R.S. [42-15062](#). The reason for valuing improvements to the land together with the land is because the value of such improvements is reflected in the rental rates of agricultural land. Examples include:

- Boundary fences constructed of common wire and posts.

Note: Fences made of cable, chain link, pipe, wood, and other materials, as well as special-purpose fences, are generally considered to be improvements on the land and are valued separately from the land.

- Earthen stock water tanks.

- Irrigation ditches and pipelines that carry water to the point of delivery for the crop.

Note: The control system and all portions of the delivery system are taxable as personal property.

- Man-made, natural water catchment basins.
- Service roads.
- Wells, pumps, and motors, when used for agricultural purposes that are typical for similar properties in the same agricultural productivity zone. The value of wells and associated equipment deemed by the assessor to be in excess of what is typical may be captured using an alternate method.

Mixed-Use Properties

Agricultural properties are often used simultaneously for more than one purpose, such as a roadside commodity stand next to the field where the commodity is grown, or a farmer's homesite situated on the same parcel as cropland. Such mixed-use properties must be classified proportionately, according to the appropriate property classes for each use occurring on the property. For instructions on determining mixed-use assessment percentages for agricultural properties subject to multiple uses, refer to the Department publication entitled [Determining Mixed-Use Percentages and Assessment Ratios](#).

Nonagricultural Full Cash Value

Land used in an agricultural operation for agricultural purposes, but which has not yet been classified by the assessor as agricultural property, is considered nonqualifying property. Nonqualifying property must be valued at nonagricultural full cash value using standard appraisal methods and techniques. Nonagricultural full cash value is that full cash value prescribed in A.R.S. [42-11001\(6\)](#), and is synonymous with market value. The income capitalization valuation procedure prescribed in A.R.S. [42-13101](#) must not

be used to value nonqualifying agricultural land (or land used in an agricultural operation for a nonagricultural use).

Permanent Crops

Permanent crops are perennial plants, trees, and vines that produce a seasonal or annual crop harvest. Permanent crops are considered improvements on the land, which must be valued separately from the land. Permanent crops are valued at maturity, and their value remains stable until a decline in production occurs. Examples of permanent crops include:

- Apple Trees.
- Christmas Trees.
- Citrus Trees, producing grapefruits, lemons, oranges, etc.
- Date Palm Trees, producing edible fruits.
- Jojoba Shrubs, producing beans.
- Nut Trees, producing almonds, pecans, pistachios, etc.
- Olive Trees.
- Stone Fruit Trees, producing cherries, peaches, plums, etc.
- Vineyards, producing wine grapes.

Permanent crops are considered to be improvements on the land and are not valued using the statutory formula prescribed for the valuation of agricultural land. Assessors should use their discretion in determining permanent crop values that are reflective of the market in their jurisdictions.

Chapter 5

Agricultural Property Management

Assessor Notices

Notice of Approval or Disapproval

After performing the required due diligence with respect to an application for agricultural classification, the assessor must notify the property owner of the approval or disapproval of the agricultural classification, and must do so on or before the date when the assessor next mails the notice of value for the property. A.R.S. [42-12155\(A\)](#).

If the application for agricultural classification is not approved, the assessor must notify the owner of the reasons for disapproval within 120 days of the application. A.R.S. [42-12155\(B\)](#).

Notice of Value

After determining the value of agricultural property according to the statutory valuation procedure, the assessor must provide a notice of value to the property owner pursuant to A.R.S. [42-15101 to 42-15105](#). The notice must be mailed (or transmitted electronically upon request) on any date before March 1 of each year.

Contesting Assessor Decisions

Appeals

Property owners or persons in control or possession of property who are dissatisfied with the valuation or classification of the property, as determined by the county assessor, have well defined rights of appeal. Accordingly, the owner may appeal a decision of the assessor regarding agricultural classification or valuation by filing either an administrative (see A.R.S. [42-16051](#) et seq.) or judicial (see A.R.S. [42-16201](#) et seq.) appeal. A.R.S. [42-12155\(C\)](#) and [42-15104](#).

For more information regarding appeals, refer to the Department publication entitled [*The Appeals Process*](#).

Error Correction

If applicable, a property owner may alternatively file a notice of claim for the correction of a property tax error. A.R.S. [42-12155\(C\)](#). See A.R.S. [42-16251](#) et seq. Examples of property tax errors include imposing an improper tax rate, incorrectly identifying property use, applying an erroneous assessment ratio, and directly valuing a property based upon misentered data. A.R.S. [42-16251\(3\)](#).

Error correction procedures are not to be used to substitute for administrative or judicial appeals. An appeal is used when a property owner disagrees with an **opinion** of the assessor or Department regarding property classification or valuation, which requires discretion and judgement to formulate. See A.R.S. [42-16051](#). In contrast, a correctable error must be exclusively **factual**, objectively verifiable, and supported by clear and convincing evidence. A.R.S. [42-16251\(3\)\(e\)](#).

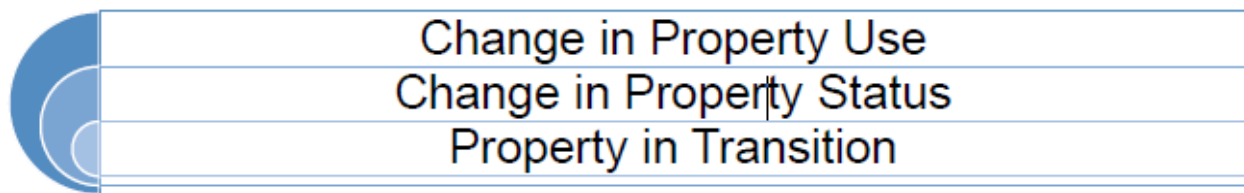
For more information regarding error correction, refer to the Department publication entitled [Correcting Property Tax Errors](#).

Property Inspections

Regular property inspections are required by statute. Pursuant to A.R.S. [42-12158 \(1\) and \(2\)](#), the assessor must conduct an on-site inspection of 25 percent of property that is classified as used for agricultural purposes each year, and must make an on-site inspection of and appraise all agricultural properties every 4 years. These inspections assist the assessor to ensure that property continues to meet the requirements for classification as agricultural property and may also help to create and maintain good working relationships with agricultural property owners. If the assessor “determines that the property does not meet the criteria for agricultural classification, [the assessor must] notify the property owner pursuant to section 42-12156.” A.R.S. [42-12158\(3\)](#). See [Change in Use](#), below.

Reclassification of Agricultural Property

There are several circumstances that may trigger the need to reclassify agricultural property, including circumstances that occur due to a change in use, a change in property status, or property that is in transition. In each case, it is the responsibility of the owner, lessor, or agent to notify the assessor of such a change. But regardless of how the assessor becomes aware, if the subject property no longer qualifies as agricultural real property used for agricultural purposes, the assessor should reclassify the property according to its current use and revalue the property using standard appraisal methods and techniques.



Change in Use

A change in use is addressed in A.R.S. [42-12156](#), entitled “Notice of change in use”, which states, “If all or part of the property ceases to qualify as agricultural property under this article, the person who owns the property at the time of change shall notify the county assessor within sixty days after the change.” A.R.S. [42-12156\(A\)](#).

If the assessor determines there has been a change of use and the property no longer qualifies as agricultural property, the assessor must notify the property owner by certified mail of the reason for reclassifying the property as nonagricultural and must include information for the property owner to appeal the reclassification. A.R.S. [42-12156\(B\)](#).

Change in Property Status

Certain changes in the status of agricultural property trigger filing requirements for the property owner, lessor, or agent. In some cases, failure to comply with these filing

requirements will lead to reclassification of the property as nonagricultural or to potential penalties for the failure to file.

Qualification Change

A.R.S. [42-12156](#): Though the title of this statute refers only to a change in use, the text of the statute (“[i]f...the property ceases to **qualify** as agricultural property....”) is more broad and indicates that a change in qualification as agricultural property would require the property owner to notify the assessor within 60 days after the change. In addition to a change in use, a change in qualification could refer to agricultural classification requirements related to active production, expectation of profit, and noncontiguous parcels. See A.R.S. [42-12152](#).

Ownership Change

A.R.S. [42-12153\(B\)](#): If the ownership of agricultural property changes, the new owner or owner agent must file a new *Agricultural Land Use Application* (ADOR Form [82916](#)) within 60 days after the change in ownership to maintain the agricultural classification. If the new owner or agent fails to file the required application, the assessor “shall not classify the property...as being used for agricultural purposes.” However, even if the new owner or agent fails to file the required application, and the assessor reclassifies the property as nonagricultural, the new owner or agent can appeal the classification decision by filing an administrative (see A.R.S. [42-16051](#) et seq.) or judicial (see A.R.S. [42-16201](#) et seq.) appeal. A.R.S. [42-12155\(C\)](#) and [42-15104](#). If applicable, the owner may alternatively file a notice of claim for the correction of a property tax error. A.R.S. [42-12155\(C\)](#). See A.R.S. [42-16251](#) et seq.

Parcel Change

A.R.S. [42-12153\(B\)](#): When a new parcel is added to an agricultural operation, the owner or owner agent must file a new *Agricultural Land Use Application* (ADOR Form [82916](#)) before the new parcel may be classified as being used for agricultural purposes. In such a case, because the new parcel is an addition to an existing agricultural operation that is

already subject to agricultural classification, the owner or agent may elect to use the Quick File Option provided on the application form.

Lease Change

A.R.S. [42-13102\(C\)](#): If there are changes in ownership, lessor, lessee, or terms or conditions of a lease for agricultural property (including the time period covered by the lease), the owner, lessor, or agent is required to file a new *Agricultural Lease Abstract* (ADOR Form [82917](#)) with the assessor. The new abstract must be filed within three months after the change or before January 31, whichever is later.

Property in Transition

Encroaching urban development is a primary cause of the transition of property from agricultural use to some other use. As such, proposed or occurring urban development may prompt the assessor to review agricultural property within affected areas to verify the property continues to meet the requirements for agricultural classification.

Upon review, it may be discovered that certain parcels previously used for agricultural purposes no longer qualify for agricultural classification. The most evident factor is the termination of the agricultural operation. But in many instances, the assessor must consider other factors to determine whether the use of an agricultural property has changed, including:

- A pending application for rezoning.
- A recorded subdivision plat.
- The dissolution of an irrigation district.
- Development that hinders the flow of water or disrupts the agricultural operation.
- The installation of survey stakes or roads for nonagricultural development.
- The installation of utility services.

The foregoing are examples of conditions that may warrant an inspection of the agricultural operation by the assessor, despite signs that the agricultural operation is

ongoing. Each individual parcel should be analyzed to ensure it still meets the requirements of A.R.S. [42-12151](#) and [42-12152](#). If only a portion of a particular parcel meets the requirements, that parcel may be subject to a mixed-use assessment. The individual circumstances regarding each agricultural property, or portions of it, must be carefully analyzed by the assessor when determining whether to remove or continue agricultural classification.

Personal Property

Valuation schedules and related information pertaining to taxable personal property typically used for agriculture may be found in the Department's [Business Personal Property Manual](#). Pursuant to A.R.S. [42-15053\(A\)](#), taxable personal property used for agricultural purposes must be reported each year to the assessor of the county in which the property is located, using the *Arizona Agricultural Business Personal Property Statement* (Form 82520A), which must be obtained from the assessor. Taxable personal property used for agriculture includes items such as machinery, equipment, and unlicensed vehicles.

Pursuant to A.R.S. [42-15053 \(B\) and \(D\)](#), the assessor shall not require a report of certain agricultural personal property that is exempt from property tax under the Arizona Constitution. See Ariz. Const. art. IX, secs. [2\(6\)](#) and [13\(2\)](#); and A.R.S. [42-11126](#) and [42-11127](#). In addition, the assessor may not require an application to qualify for this reporting exception. A.R.S. [42-15053\(B\)](#). The reporting exception includes the following:

- Livestock owned by a person who is principally engaged in agricultural production.
- The full cash value up to \$207,366 of property Class Two (P) that is used for agricultural purposes.

However, a taxpayer who **knowingly** fails to file any report of taxable property or fails or refuses to provide required information or material to the assessor is guilty of a class two misdemeanor. A.R.S. [42-15055 \(A\) and \(B\)](#). Filed personal property statements

may be used as evidence in any prosecution brought under A.R.S. [42-15055](#). A.R.S. [42-15053\(G\)\(1\)](#). In addition, all personal property statements filed with the assessor may be subject to audit, and all taxable personal property found to have been unreported or to have escaped taxation will be subject to penalty. A.R.S. [42-15053\(G\)\(2\)](#) and [42-15055 \(C\) to \(E\)](#).

Penalties

Pursuant to A.R.S. [42-12157](#), if an owner or owner agent intentionally provides false information on an application regarding agricultural classification, or fails to provide the notice of change in use required under A.R.S. [42-12156](#), the following will occur:

- The property must be reclassified immediately as nonagricultural and revalued at its nonagricultural full cash value.
- The owner will be liable for additional taxes on the difference between the agricultural and nonagricultural full cash values for all of the tax years during which the property was classified as agricultural based on the false information.
- The owner will be liable for a penalty of 25 percent of the additional taxes computed, although the assessor may abate this penalty for good cause.

Additional penalties for failure to report taxable property, including criminal liability for knowing failure to report, are described in A.R.S. [42-15055](#).

Appendix

Carrying Capacity of Rangeland in Arizona

Rangeland Carrying Capacity Tables

The following tables show rangeland carrying capacity information for each Arizona County. The information in the tables was taken from the “Wright Map”, so called because it was compiled by N. Gene Wright at the University of Arizona in 1967.

The tables are organized by township (vertical) and range (horizontal) numbers, with range identified as east or west and township as north or south. The numbers in the tables for each corresponding township and range represents the **average** annual animal unit carrying capacity per section for grazing land in that entire township, as they are depicted on the Wright Map.

The tables should be used **only** as a starting point to determine whether land might support the required minimum carrying capacity of 40 animal units. The tables do not, by themselves, establish economic feasibility, and should not be relied upon for that purpose without confirmation by an on-site inspection of the land.

A copy of the Wright Map covering the entire state is included at the end of the tables for reference.

The following four examples describe how the tables are to be interpreted:

Apache County: An average section of land located within Township 9 North, Range 27 East, should be capable of supporting approximately 10 animal units. Therefore, for the land to meet the definition of agricultural real property, a ranch in this area would have to include at least four sections of land ($40 \text{ animal units} \div 10 \text{ units per section} = 4 \text{ sections}$), or approximately 2,560 acres.

Cochise County: An average section of land located within Township 20 South, Range 29 East, should be capable of supporting approximately 22 animal units. Therefore, for the land to meet the definition of agricultural real property, a ranch in this area would

have to include just under two sections of land ($40 \text{ animal units} \div 22 \text{ units per section} = 1.8 \text{ sections}$), or approximately 1,152 acres.

Coconino County: An average section of land located within Township 28 North, Range 5 West, should be capable of supporting approximately eight animal units. Therefore, for the land to meet the definition of agricultural real property, a ranch in this area would have to include at least five sections of land ($40 \text{ animal units} \div 8 \text{ units per section} = 5 \text{ sections}$), or approximately 3,200 acres.

La Paz County: An average section of land located within Township 4 North, Range 21 West, should be capable of supporting approximately two animal units. Therefore, for the land to meet the definition of agricultural real property, a ranch in this area would have to include at least 20 sections of land ($40 \text{ animal units} \div 2 \text{ units per section} = 20 \text{ sections}$), or approximately 12,800 acres.

Apache County Animal Unit Carrying Capacity per Section by Township

TOWNSHIP	Range East							
	24	25	26	27	28	29	30	31
21N	-	-	8	8	8	8	-	-
20N	-	7	8	8	8	7	10	10
19N	7	7	7	8	8	7	7	8
18N	7	7	8	8	8	7	7	7
17N	8	8	8	7	7	6	7	5
16N	6	8	7	7	7	6	5	5
15N	6	6	7	7	7	6	5	5
14N	7	7	7	9	8	7	5	6
13N	8	8	8	8	7	7	7	7
12N	8	9	7	7	7	7	7	7
11N	8	9	8	8	7	7	8	7
10N	7	9	9	8	8	8	8	9
9N	5	7	11	10	9	9	9	9
8N	5	-	15	11	9	8	8	8
7N	-	-	10	10	10	9	6	8
6N	-	-	8	15	13	9	15	9
5N	-	-	-	11	10	8	4	4
4N	-	-	-	10	8	-	-	-

Cochise County Animal Unit Carrying Capacity per Section by Township

TOWNSHIP	RANGE EAST														
	19	20	21	22	23	24	25	26	27	28	29	29½	30	31	32
12S	6	8	10	13	12	10	11	11	5	4	4	-	4	4	6
13S	8	6	9	14	11	10	10	8	7	4	4	-	4	4	7
14S	7	8	9	10	11	9	9	7	8	4	6	-	8	5	4
15S	9	8	9	9	10	10	9	10	11	11	9	-	9	7	4
16S	8	7	8	9	10	9	10	11	11	11	11	10	9	7	5
17S	11	5	6	8	10	12	11	11	11	11	17	9	10	8	5
18S	12	5	5	5	10	12	11	11	10	11	12	8	9	10	8
19S	13	8	5	5	10	11	10	10	11	9	14	-	15	14	8
20S	10	7	5	5	9	10	9	8	8	8	22	-	15	14	9
21S	13	7	7	5	6	9	8	9	8	9	22	-	10	14	12
22S	15	9	7	5	6	7	7	8	9	9	9	-	10	10	12
23S	19	20	13	6	7	7	6	9	9	7	7	-	9	9	9
24S	24	25	15	10	9	6	5	10	10	6	7	-	9	10	9

Coconino County Animal Unit Carrying Capacity per Section by Township

TOWN SHIP	RANGE WEST										RANGE EAST																	
	10	9	8	7	6	5	4	3	2	1	1	2	3	4	5	6	7	8	9	10	11	12	1/2	13	1/2	14	15	
42N	-	-	-	-	-	-	-	-	4	5	5	5	5	6	7	7	7	8	8	-	-	-	-	-	-	-	-	-
41N	-	-	-	-	-	-	-	-	4	5	5	5	5	6	7	7	7	8	8	-	-	-	-	-	-	-	-	-
40N	-	-	-	-	-	-	-	4	4	4	4	3	4	7	8	8	8	8	-	-	-	-	-	-	-	-	-	-
39N	-	-	-	-	-	-	-	4	4	5	3	3	4	6	8	4	4	-	-	-	-	-	-	-	-	-	-	-
38N	-	-	-	-	-	-	-	4	3	3	3	3	3	6	5	4	-	-	-	-	-	-	-	-	-	-	-	-
37N	-	-	-	-	-	-	-	3	3	3	4	4	3	7	5	5	-	-	-	-	-	-	-	-	-	-	-	-
36N	-	-	-	-	-	-	4	4	4	4	4	4	4	5	5	-	-	-	-	-	-	-	-	-	-	-	-	-
35N	-	-	-	-	-	-	-	4	4	4	4	4	4	2	2	-	-	-	-	-	-	-	-	-	-	-	-	-
34N	-	-	-	-	-	-	-	-	-	-	4	4	4	2	2	-	-	-	-	-	-	-	-	-	-	-	-	-
33N	-	-	-	-	-	-	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32N	-	-	-	-	8	8	3	3	3	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31N	-	-	-	-	8	8	8	7	3	5	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
30N	-	-	-	-	8	8	8	8	10	11	8	5	5	5	5	5	-	-	-	-	-	-	-	-	-	-	-	-
29N	-	-	-	-	8	8	8	8	10	11	10	5	5	5	5	5	-	-	-	-	-	-	-	-	-	-	-	-
28N	-	-	-	-	8	8	8	8	10	11	9	7	6	5	5	5	-	-	-	-	-	-	-	-	-	-	-	-
27N	-	-	-	8	8	8	8	8	8	11	10	8	8	8	8	8	-	9	9	9	-	-	-	-	-	-	-	-
26N	-	8	8	8	8	8	8	8	8	8	10	9	8	9	9	9	9	9	9	-	-	-	-	-	-	-	-	-
25N	10	9	8	8	8	8	8	8	8	8	11	8	8	7	5	6	7	6	4	7	7	-	-	-	-	-	-	-
24N	-	-	9	8	8	8	8	8	6	10	8	8	6	5	5	5	4	5	3	7	7	-	-	-	-	-	-	-
23N	-	-	-	10	8	8	8	8	10	11	8	9	6	6	7	6	6	9	3	7	7	-	-	-	-	-	-	-
22N	-	-	-	-	-	-	8	8	9	11	9	8	8	6	8	6	5	9	4	7	7	-	-	-	-	-	-	-
21N	-	-	-	-	-	-	-	-	-	10	10	10	4	5	5	8	8	8	5	5	9	-	-	-	-	-	-	-
20N	-	-	-	-	-	-	-	-	-	-	5	4	3	5	8	8	5	5	4	4	9	9	7	6	-	5	7	
19N	-	-	-	-	-	-	-	-	-	-	9	6	5	4	4	4	4	5	5	4	9	9	7	7	-	7	7	
18N	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5	4	4	5	6	7	7	7	7	-	9	8	8	
17N	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4	5	4	4	6	7	7	7	9	-	9	7	7	
16N	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5	5	5	4	7	-	8	-	8	6	6	
15N	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5	5	8	4	6	-	6	-	6	7	7	
14N	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6	5	5	5	5	-	3	-	3	2	2	
13N	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5	5	4	4	6	-	4	-	2	3	3	
12N	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6	5	5	6	5	-	3	2	2	2	4	
11N	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6	-	6	2	2	2	3	
10½N	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	16	-	4	-	

Gila County Animal Unit Carrying Capacity per Section by Township

TOWNSHIP	RANGE EAST														
	7	8	9	10	11	11½	12	13	14	14½	15	15½	16	17	18
13N	-	5	-	-	-	-	-	-	-	-	-	-	-	-	-
12N	7	6	5	5	6	-	5	-	-	-	-	-	-	-	-
11½N	8	8	8	4	6	6	-	-	-	-	-	-	-	-	-
11N	9	7	8	5	7	8	6	6	2	-	-	-	-	-	-
10½N	-	-	-	-	-	-	7	9	16	-	4	-	-	-	-
10N	6	6	8	8	13	-	9	9	9	-	2	-	-	-	-
9N	-	-	11	9	11	-	12	11	10	-	5	-	-	-	-
8N	-	-	12	9	7	-	8	11	9	-	8	-	-	-	-
7N	-	-	11	10	8	-	7	9	11	-	8	-	-	-	-
6N	-	-	10	7	8	-	12	10	10	-	8	-	-	7	7
5N	-	-	-	10	8	-	11	12	10	-	8	-	8	8	7
4N	-	-	-	10	7	-	-	-	8	-	8	8	8	7	-
3N	-	-	-	-	5	-	7	8	8	-	12	11	8	7	9
2N	-	-	-	-	-	-	8	12	11	-	14	13	10	-	-
1N	-	-	-	-	-	-	-	12	10	-	12	9	-	-	-
1S	-	-	-	-	-	-	9	-	6	8	9	-	9	-	-
2S	-	-	-	-	-	-	-	-	11	-	9	-	9	-	-
3S	-	-	-	-	-	-	-	-	11	-	9	-	5	6	-
4S	-	-	-	-	-	-	-	-	-	-	9	-	6	-	-
5S	-	-	-	-	-	-	-	-	-	-	10	-	6	-	-

Graham County Animal Unit Carrying Capacity per Section by Township

TOWNSHIP	RANGE EAST												
	19	20	21	22	23	24	25	26	27	28	29	30	31
1S	-	-	-	7	-	-	-	-	-	-	-	-	-
2S	-	-	-	7	7	-	-	-	-	-	-	-	-
3S	-	-	-	7	7	6	-	-	-	-	-	-	-
4S	7	6	7	7	5	6	7	-	9	-	-	-	-
5S	11	5	6	6	5	6	7	7	9	6	-	-	-
6S	11	7	7	7	7	6	4	5	5	10	8	-	-
7S	10	9	9	7	5	4	5	5	4	5	5	8	-
8S	8	13	14	12	10	6	5	5	4	5	5	7	-
9S	10	10	14	13	13	8	6	6	4	4	4	4	-
10S	7	7	14	14	12	9	5	6	4	4	4	5	6
11S	6	8	12	18	18	12	9	8	5	4	4	4	6

Greenlee County Animal Unit Carrying Capacity per Section by Township

TOWNSHIP	RANGE EAST						
	27	28	29	29½	30	31	32
4½N	-	-	-	6	5	6	6
4N	-	8	4	-	4	6	6
3½N	6	-	-	-	-	-	-
3N	-	6	5	-	5	5	5
2N	-	9	6	-	6	9	10
1N	-	15	6	-	9	11	13
1S	-	10	9	-	8	10	13
2S	-	10	10	-	10	10	12
3S	-	8	8	-	10	11	7
4S	-	7	7	-	8	8	7
5S	-	6	7	-	7	6	8
6S	-	-	8	-	7	6	9
7S	-	-	-	-	8	5	5
8S	-	-	-	-	7	5	6
9S	-	-	-	-	-	6	5
10S	-	-	-	-	-	6	6
11S	-	-	-	-	-	6	6

La Paz County Animal Unit Carrying Capacity per Section by Township

TOWNSHIP	RANGE WEST														
	24	23	22	21	20	19	18	17	16	15	14	13	12	11	10
11N	-	-	-	-	-	-	3	3	3	-	-	4	4	4	6
10N	-	-	-	-	-	3	3	3	3	3	3	3	4	4	5
9N	-	-	-	-	-	3	3	3	3	3	3	3	4	4	4
8N	-	-	-	-	-	3	3	3	3	3	3	3	3	4	4
7N	-	-	-	-	3	3	3	3	3	3	3	3	3	4	4
6N	-	-	-	-	3	3	3	3	3	3	3	4	4	4	4
5N	-	-	-	-	3	3	3	3	3	3	3	4	4	4	4
4N	-	-	-	2	2	2	2	2	2	2	2	2	3	3	3
3N	-	-	2	2	2	2	2	2	2	2	2	2	3	3	3
2N	-	-	2	-	-	2	-	-	-	-	2	2	2	3	3
1N	-	2	-	-	-	-	-	-	-	-	2	2	2	3	3
1S	2	2	-	-	-	-	-	-	-	-	-	-	-	-	-
2S	2	2	-	-	-	-	-	-	-	-	-	-	-	-	-
3S	-	2	-	-	-	-	-	-	-	-	-	-	-	-	-
4S	-	2	-	-	-	-	-	-	-	-	-	-	-	-	-

Maricopa County Animal Unit Carrying Capacity per Section by Township

TOWNSHIP	RANGE WEST										RANGE EAST												
	10	9	8	7	6	5	4	3	2	1	1	2	3	4	5	6	7	8	9	10	11	12	13
8N	4	4	4	5	6	5	6	-	-	-	-	5	12	15	13	8	6	6	12	-	-	-	-
7N	4	4	4	5	5	5	6	6	7	7	6	5	12	12	12	6	6	8	11	-	-	-	-
6N	4	4	4	5	5	4	4	5	5	6	5	5	5	5	5	5	5	8	10	-	-	-	-
5N	4	4	4	4	4	4	4	4	4	6	4	5	5	6	5	4	4	8	10	10	-	-	-
4N	3	3	3	3	3	3	4	4	4	5	5	5	5	5	5	4	7	10	10	10	-	-	-
3N	3	3	3	3	3	3	3	3	4	-	-	-	4	4	5	4	7	9	10	10	5	7	-
2N	3	3	3	3	3	3	3	3	4	-	-	-	-	-	4	4	6	6	5	5	5	8	12
1N	3	3	3	3	3	3	3	3	4	4	-	-	-	-	4	4	4	-	-	-	-	-	-
1S	3	3	3	3	3	3	3	3	3	3	-	4	4	4	-	-	4	-	-	-	-	-	-
2S	3	3	3	3	3	3	3	3	3	3	3	-	-	-	4	4	4	-	-	-	-	-	-
3S	3	3	3	3	3	3	3	3	3	3	3	-	-	-	-	-	-	-	-	-	-	-	-
4S	3	3	3	3	3	3	3	3	3	3	3	-	-	-	-	-	-	-	-	-	-	-	-
5S	2	2	2	2	2	2	3	3	3	3	3	-	-	-	-	-	-	-	-	-	-	-	-
6S	2	2	2	2	2	2	3	3	3	3	4	-	-	-	-	-	-	-	-	-	-	-	-
7S	2	2	2	2	2	-	3	3	3	3	4	-	-	-	-	-	-	-	-	-	-	-	-
8S	-	-	-	-	-	-	-	-	-	-	4	-	-	-	-	-	-	-	-	-	-	-	-
9S	-	-	-	-	-	-	-	-	-	-	4	-	-	-	-	-	-	-	-	-	-	-	-
10S	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Mohave County Animal Unit Carrying Capacity per Section by Township

TOWNSHIP	RANGE WEST																					
	22	21	½	20	19	18	17	16	15	14	13	12	11	10	9	8	7	6	5	4	3	2
42N	-	-	-	-	-	-	-	4	4	3	3	4	4	4	6	7	6	5	6	-	-	4
41N	-	-	-	-	-	-	-	4	4	3	4	4	4	4	7	6	6	7	6	-	-	4
40N	-	-	-	-	-	-	-	3	4	4	4	6	6	4	7	6	6	9	7	5	4	-
39N	-	-	-	-	-	-	-	3	4	4	4	6	6	5	7	6	6	6	6	5	4	-
38N	-	-	-	-	-	-	-	4	4	4	4	6	6	7	6	6	6	6	6	5	4	-
37N	-	-	-	-	-	-	-	4	4	4	7	7	7	6	6	6	6	6	7	4	3	-
36N	-	-	-	-	-	-	-	4	4	4	5	7	6	6	6	7	7	7	7	4	4	-
35N	-	-	-	-	-	-	-	4	6	6	5	6	6	6	6	5	6	7	4	4	-	-
34N	-	-	-	-	-	-	-	4	6	6	6	6	6	6	5	4	5	-	-	-	-	-
33N	-	-	-	-	-	-	-	-	6	6	6	6	6	6	5	5	-	-	-	-	-	-
32N	-	-	-	-	-	-	-	-	-	4	4	4	4	-	-	-	-	-	-	-	-	-
31N	-	-	-	-	-	-	-	-	-	-	4	4	-	-	-	-	-	-	-	-	-	-
30N	3	3	-	3	3	3	3	3	3	-	-	-	-	-	-	-	-	-	-	-	-	-
29N	3	3	-	3	3	3	3	3	3	-	-	-	-	-	-	-	-	-	-	-	-	-
28N	-	3	-	4	4	4	4	4	4	-	-	-	-	-	-	-	-	-	-	-	-	-
27N	-	3	-	4	4	4	4	4	4	-	-	-	-	-	-	-	-	-	-	-	-	-
26N	-	3	-	4	4	4	5	4	4	4	-	-	-	-	-	-	-	-	-	-	-	-
25N	3	3	-	4	4	4	4	6	6	6	6	-	-	-	-	-	-	-	-	-	-	-
24N	3	3	-	3	4	5	5	6	6	6	6	6	6	10	-	-	-	-	-	-	-	-
23N	-	3	-	3	4	4	5	6	6	6	6	6	8	9	-	-	-	-	-	-	-	-
22N	-	3	-	3	4	4	5	6	6	7	7	7	7	9	-	-	-	-	-	-	-	-
21N	-	3	-	3	4	4	6	7	7	7	7	6	7	10	-	-	-	-	-	-	-	-
20N	3	3	-	3	4	5	6	7	7	6	6	5	12	12	-	-	-	-	-	-	-	-
19N	3	3	-	3	4	5	6	6	7	7	6	5	12	11	-	-	-	-	-	-	-	-
18N	3	3	-	3	4	4	6	6	6	6	6	7	8	11	-	-	-	-	-	-	-	-
17N	3	3	-	3	4	4	4	4	5	6	6	6	7	11	-	-	-	-	-	-	-	-
16½N	-	3	3	4	4	4	4	4	4	4	4	5	6	8	-	-	-	-	-	-	-	-
16N	-	3	3	4	4	4	4	4	4	4	4	6	6	6	-	-	-	-	-	-	-	-
15N	-	-	3	3	4	4	4	4	4	4	4	6	6	6	-	-	-	-	-	-	-	-
14N	-	-	-	3	4	4	4	4	4	4	4	6	6	7	-	-	-	-	-	-	-	-
13N	-	-	-	3	3	4	4	4	4	6	6	6	6	7	-	-	-	-	-	-	-	-
12N	-	-	-	-	3	3	4	4	5	5	5	5	5	6	-	-	-	-	-	-	-	-
11N	-	-	-	-	-	3	3	3	4	4	4	4	4	6	-	-	-	-	-	-	-	-
10N	-	-	-	-	-	-	-	-	3	3	3	-	-	-	-	-	-	-	-	-	-	-

Navajo County Animal Unit Carrying Capacity per Section by Township

TOWNSHIP	RANGE EAST								
	15	16	17	18	19	20	21	22	23
20N	7	6	6	6	5	5	7	7	7
19N	7	5	6	6	6	7	7	7	7
18N	8	6	6	6	6	6	6	6	6
17N	7	6	6	6	6	6	6	6	6
16N	6	6	7	6	6	7	6	6	6
15N	7	7	7	7	7	7	6	6	6
14N	2	6	7	7	7	7	6	6	7
13N	3	5	5	6	8	8	7	6	7
12N	4	4	3	4	3	5	7	8	8
11N	3	3	3	2	3	4	3	7	8
10N	-	3	3	2	3	3	3	4	6
9N	-	-	-	-	-	-	3	4	5
8N	-	-	-	-	-	-	-	-	6

Pima County Animal Unit Carrying Capacity per Section by Township

TOWNSHIP	RANGE WEST										RANGE EAST																	
	10	9	8	7	6	5	4	3	2	1	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
11S	-	-	-	-	3	3	3	3	-	-	-	-	-	-	-	5	5	5	5	5	4	5	8	13	13	12	10	5
12S	-	-	-	-	3	3	3	-	-	-	-	-	-	-	-	5	-	5	4	4	4	5	7	8	7	9	9	9
13S	-	-	-	-	3	3	-	-	-	-	-	-	-	-	-	-	-	-	5	4	4	5	-	-	6	9	10	9
14S	-	-	-	-	3	3	-	-	-	-	-	-	-	-	-	-	-	-	5	4	5	6	6	-	7	9	9	11
15S	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6	6	6	5	5	5	7	8	9	13
16S	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8	8	8	8	9	7	7	6	7	9	10
17S	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8	8	8	10	9	7	7	6	9	8	10
18S	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8	8	7	8	8	8	8	7	20	14	13	11
19S	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	12	9	9	8	8	8	8	11	14	25	16	13
20S	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	12	12	12	10	11	-	-	-	-	-	-	-
21S	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	13	12	12	13	15	-	-	-	-	-	-	-
22S	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	12	12	15	19	17	-	-	-	-	-	-	-
23S	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	19	-	-	-	-	-	-	-	-	-

Pinal County Animal Unit Carrying Capacity per Section by Township

TOWNSHIP	RANGE EAST																
	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
1N	-	-	-	-	-	-	4	5	5	7	8	12	-	-	-	-	-
1S	-	-	-	-	-	-	4	4	9	7	5	9	6	-	-	-	-
2S	-	-	-	-	-	-	4	4	5	5	5	9	11	-	-	-	-
3S	-	-	-	-	-	4	4	5	5	5	7	10	11	-	-	6	6
4S	4	4	4	-	-	-	4	5	5	5	7	10	9	9	6	7	7
5S	-	4	4	4	4	4	4	4	5	5	5	8	10	10	6	7	1
6S	4	4	4	4	4	4	5	6	6	6	6	8	12	10	8	10	12
7S	5	5	5	4	4	4	5	7	5	6	7	8	10	9	9	7	9
8S	5	5	-	-	5	-	-	5	5	5	6	8	9	9	11	7	8
9S	-	-	-	-	5	5	5	6	5	5	7	9	11	10	10	7	7
10S	-	-	-	-	5	5	5	5	5	6	7	9	13	14	15	11	6

Santa Cruz County Animal Unit Carrying Capacity per Section by Township

TOWNSHIP	RANGE EAST								
	10	11	12	13	14	15	16	17	18
20S	-	-	12	9	21	17	17	17	16
21S	-	-	15	10	16	19	17	19	18
22S	19	17	21	15	15	16	19	22	19
23S	22	17	19	17	15	20	18	22	19
24S	-	14	20	21	12	13	16	22	24

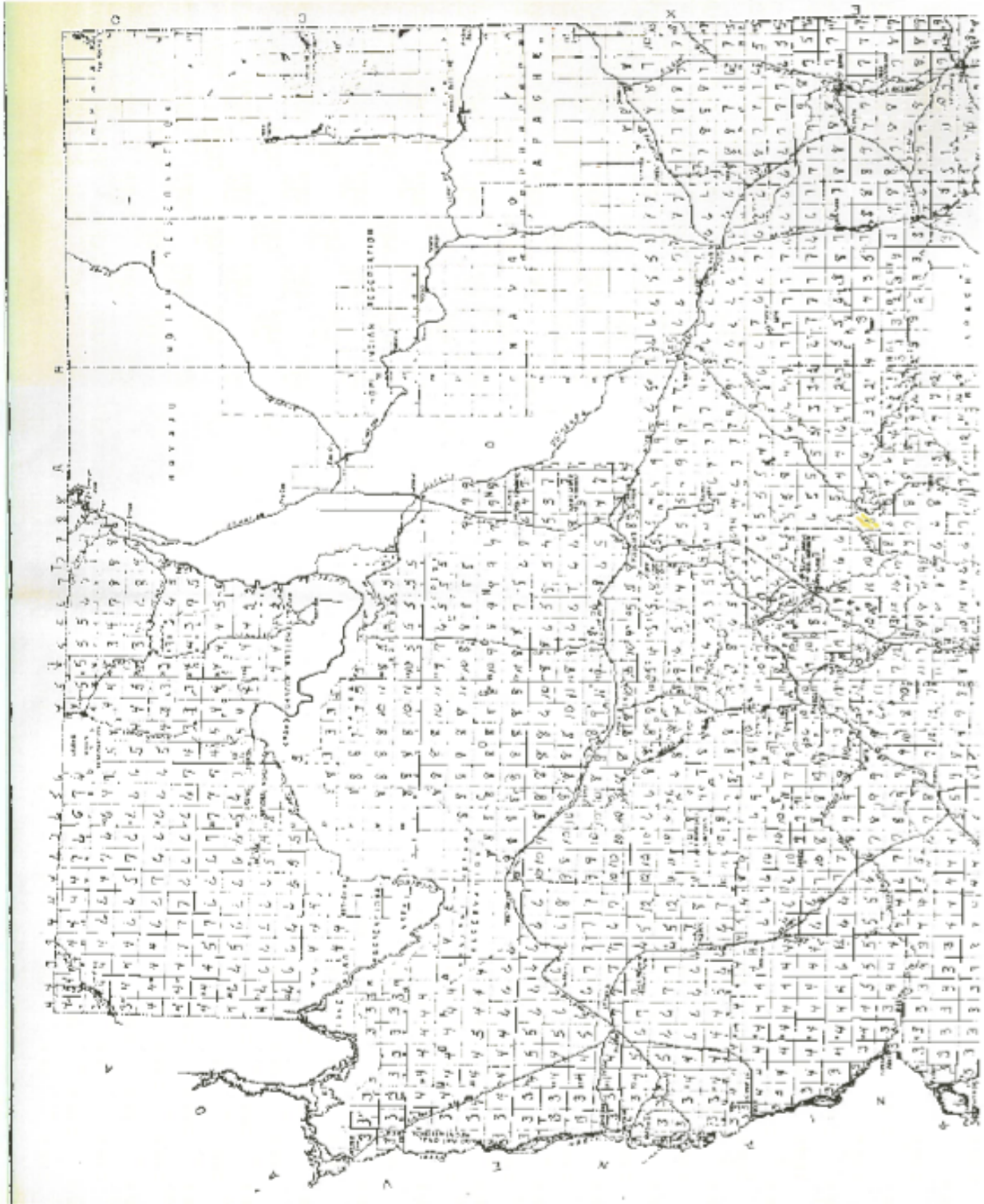
Yavapai County Animal Unit Carrying Capacity per Section by Township

TOWNSHIP	RANGE WEST										RANGE EAST										
	10	9	8	7	6	5	4	3	2	1	1	1/2	2	1/2	3	4	5	6	7	8	9
25N	10	9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
24N	10	10	9	8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23N	9	8	10	10	8	8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22N	9	9	10	10	10	8	8	8	9	11	-	-	-	-	-	-	-	-	-	-	-
21N	10	10	10	10	10	8	8	8	8	-	-	-	-	-	-	-	-	-	-	-	-
20N	12	12	10	6	6	8	8	8	8	10	-	-	-	-	-	-	-	-	-	-	-
19N	11	11	10	6	6	6	8	8	7	8	-	-	-	-	-	-	-	-	-	-	-
18N	11	11	10	8	4	7	8	8	8	8	7	-	6	-	5	5	5	-	-	-	-
17N	11	11	10	8	4	8	8	8	9	9	7	-	8	-	6	5	5	-	-	-	-
16½N	8	9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16N	6	10	9	6	9	6	8	10	10	11	10	-	9	-	6	6	5	5	6	-	-
15½N	-	-	-	-	-	-	7	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15N	6	10	10	10	8	7	8	7	10	11	8	-	10	3	4	7	6	5	5	-	-
14½N	-	-	9	9	9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14N	7	10	8	8	8	10	9	6	10	10	9	-	10	13	8	8	6	7	7	-	-
13N	7	7	8	9	9	9	10	13	9	13	10	10	9	-	-	9	8	6	6	-	-
12½N	-	-	-	-	-	-	-	7	5	13	-	-	-	-	-	-	-	-	-	-	-
12N	6	6	7	8	9	9	9	9	6	11	10	-	11	-	10	15	10	10	7	-	-
11N	6	7	7	8	9	9	9	10	8	10	7	-	12	-	13	13	16	14	-	-	-
10N	5	5	6	7	8	9	7	10	12	7	11	-	7	-	8	8	11	9	-	-	-
9½N	-	-	-	-	-	-	-	-	-	-	11	-	7	-	8	8	8	6	-	-	-
9N	4	4	4	5	5	9	8	9	9	8	8	-	7	-	10	14	14	6	6	7	-
8N	4	4	4	5	6	5	6	8	8	7	6	-	5	-	12	15	13	8	6	6	12
7N	-	-	-	-	-	-	6	6	7	7	6	-	5	-	-	-	-	-	-	-	-

Yuma County Animal Unit Carrying Capacity per Section by Township

TOWNSHIP	RANGE WEST															
	25	24	23	22	21	20	19	18	17	16	15	14	13	12	11	10
1N	-	-	-	-	-	-	2	-	-	-	-	-	-	-	-	-
1S	-	-	-	-	-	-	2	-	-	-	-	2	2	2	3	-
2S	-	-	-	-	-	-	2	-	-	-	-	-	2	2	3	3
3S	-	-	-	-	-	-	2	-	-	-	-	-	2	2	3	3
4S	-	-	-	-	-	-	2	-	-	-	-	-	2	2	3	3
5S	-	-	-	-	-	-	-	-	-	-	-	-	2	2	2	2
6S	-	-	-	-	-	-	-	-	-	-	-	2	2	2	2	-
7S	-	-	-	2	2	2	2	2	2	2	2	2	2	2	2	2
8S	-	-	-	2	2	2	2	2	2	2	2	-	-	-	-	-
9S	-	-	-	2	2	2	2	2	2	2	-	-	-	-	-	-
10S	-	2	2	-	-	-	-	-	-	-	-	-	-	-	-	-
11S	-	2	2	-	-	-	-	-	-	-	-	-	-	-	-	-
12S	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13S	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14S	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15S	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16S	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Wright Map — North Half



Wright Map — South Half

