Senate Engrossed House Bill

agricultural property; inspections; notice

State of Arizona
House of Representatives
Fifty-seventh Legislature
Second Regular Session
2026

HOUSE BILL 2105

AN ACT

AMENDING SECTIONS 42-11053 AND 42-12158, ARIZONA REVISED STATUTES; RELATING TO PROPERTY TAX.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

Section 1. Section 42-11053, Arizona Revised Statutes, is amended to read:

42-11053. Investigating property valuations

A. The department shall:

1. Investigate property valuations and any matters relating to property taxes and shall require the production of any private or public record relating to those valuations or property taxes.

2. NOTIFY THE OWNER OR POSSESSOR OF THE PROPERTY THAT AN INSPECTION WILL OCCUR AND PROVIDE THE DATE OF THE INSPECTION. THE DEPARTMENT IS NOT REQUIRED TO PROVIDE THE NOTICE REQUIRED BY THIS PARAGRAPH BY CERTIFIED MAIL.

3. PROVIDE A COPY OF THE INSPECTION REPORT TO THE OWNER OR POSSESSOR OF THE PROPERTY.

B. The director or the director's agent may:

1. Enter on and examine any property in this state to determine its full cash value. If the owner or possessor of property refuses entrance to the director or the director's agent, the director may estimate the valuation of the property.

2. Require any officer whose duties relate to assessing or collecting taxes to report to the director at the time and in the manner that the director prescribes.

Sec. 2. Section 42-12158, Arizona Revised Statutes, is amended to read:

42-12158. Inspections by county assessor

A. The county assessor or the assessor's deputies shall:

1. Make an on-site inspection of twenty-five percent of the property classified as being used for agricultural purposes each year.

2. Make an on-site inspection and appraise all of these properties within every four years.

3. If the county assessor or the assessor's deputy determines that the property does not meet the criteria for agricultural classification, notify the property owner pursuant to section 42-12156.

4. NOTIFY THE PROPERTY OWNER BEFORE AN INSPECTION OCCURS AND PROVIDE THE DATE OF THE INSPECTION. THE COUNTY ASSESSOR IS NOT REQUIRED TO PROVIDE THE NOTICE REQUIRED BY THIS PARAGRAPH BY CERTIFIED MAIL.

5. PROVIDE A COPY OF THE INSPECTION REPORT TO THE PROPERTY OWNER.

B. A PROPERTY THAT MEETS THE CRITERIA FOR AGRICULTURAL CLASSIFICATION IS NOT SUBJECT TO AN ON-SITE INSPECTION IN CONSECUTIVE YEARS PURSUANT TO THIS SECTION UNLESS ONE OF THE FOLLOWING OCCURS:

1. THE PROPERTY OWNER FILES A CHANGE IN THE USE NOTICE PURSUANT TO SECTION 42-12156, SUBSECTION A.

2. THERE IS A SPLIT OF THE PROPERTY.

3. THERE IS A CHANGE IN OWNERSHIP OR LEASE OF THE PROPERTY.

4. THERE IS A TAXABLE IMPROVEMENT MADE TO THE PROPERTY.

C. FOR THE PURPOSES OF THIS SECTION, THE COUNTY ASSESSOR MAY DEVELOP A STANDARDIZED FORM FOR INSPECTION REPORTS.

D. DURING THE YEAR FOLLOWING THE YEAR IN WHICH AN ON-SITE INSPECTION IS CONDUCTED, IF THE COUNTY ASSESSOR CLASSIFIES A PREVIOUSLY UNREPORTED TAXABLE IMPROVEMENT AS AGRICULTURAL PROPERTY, THE COUNTY ASSESSOR MAY ASSESS THE APPLICABLE PROPERTY TAX ON THE IMPROVEMENT FOR THE CURRENT TAX YEAR AND ANY PRIOR TAX YEAR IN WHICH THE IMPROVEMENT EXISTED.