

Senate Engrossed

property tax assessment; destroyed property

State of Arizona  
Senate  
Fifty-seventh Legislature  
Second Regular Session  
2026

# SENATE BILL 1294

AN ACT

AMENDING SECTION 42-15157, ARIZONA REVISED STATUTES; RELATING TO PROPERTY  
TAX ASSESSMENT.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 42-15157, Arizona Revised Statutes, is amended  
3 to read:

4 42-15157. Destruction of property after rolls closed;  
5 proration of valuation and taxes

6 A. If a property is destroyed after the county assessor closes the  
7 rolls, the property owner may file a notice of claim pursuant to section  
8 42-16254 or the county assessor may issue a notice of proposed correction  
9 pursuant to section 42-16252 to prorate the valuation of the property from  
10 the date of destruction.

11 B. If the county assessor finds that the property has been  
12 destroyed:

13 1. The county assessor shall prorate the value of the property from  
14 the lien date to the date of destruction.

15 ~~2. For the purposes of classifying property under chapter 12,~~  
16 ~~article 1 of this title, the county assessor may maintain the property~~  
17 ~~classification in place on the date of destruction for a period of five~~  
18 ~~years or until an objectively verifiable change in use occurs, whichever~~  
19 ~~is sooner.~~

20 ~~3.~~ 2. The county assessor shall notify the property owner of the  
21 property assessment pursuant to the applicable notice requirements  
22 provided in this chapter or chapter 16 of this title.

23 ~~4.~~ 3. The county treasurer shall compute the amount of taxes  
24 assessed against the property by applying the tax rate for the appropriate  
25 tax year to the original valuation prorated for the portion of the year  
26 the property was intact, plus the tax rate for the appropriate tax year to  
27 the reassessed value of the property prorated for the balance of the year.

28 ~~C. For the purposes of this section, "destroyed" means physical~~  
29 ~~destruction caused by a verifiable accident, including fire, flood or any~~  
30 ~~other act of God.~~

31 C. IF THE COUNTY ASSESSOR FINDS THAT A PROPERTY HAS BEEN DESTROYED  
32 BY A VERIFIABLE ACCIDENT, INCLUDING FIRE, FLOOD OR ANY OTHER ACT OF GOD,  
33 THE COUNTY ASSESSOR MAY MAINTAIN THE PROPERTY CLASSIFICATION IN PLACE ON  
34 THE DATE THE PROPERTY IS DESTROYED FOR A PERIOD OF FIVE YEARS OR UNTIL AN  
35 OBJECTIVELY VERIFIABLE CHANGE IN USE OCCURS, WHICHEVER IS EARLIER.

36 Sec. 2. Retroactivity

37 This act applies retroactively to from and after September 13, 2024.