



Schedule of Values

**2025 Reappraisal
Present Use Value**



2025 Schedule of Values, Standards and Rules Present Use Value

Board of County Commissioners

Mark Letson, Chairman

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Adopted:

October 15, 2024

Date

Signed:

A handwritten signature in blue ink, appearing to read "Mark Letson", is written over a horizontal line.

Chairman, Jackson County Board of Commissioners

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Introduction

The purpose of this manual is to describe the present use value program and the methodology and procedures for appraising real property in Jackson County at its present use value as of January 1, 2025. The Present Use Value Schedule of Values, Standards and Rules establishes the base rates for property that meets the statutory requirements.

Present Use Value

Effective January 1, 1974, the General Assembly enacted a voluntary program that allows certain agricultural land, horticultural land and forestland to be appraised at its present use value. The wildlife conservation program went into effect beginning with the 2010 tax year.

Generally, all property in North Carolina is valued at its market value, which is the estimated price at which property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or sell, and both having reasonable knowledge of the various potential uses of the property.

Present use value, commonly referred to as “PUV”, is the value of land in its current use as agricultural land, horticultural land or forestland, based solely on its ability to produce income and assuming an average level of management.

Property that qualifies for present use value classification is appraised at its present use value, rather than its market value. The difference between the market value and the present use value is the deferred taxes. When land becomes disqualified from the present use value program, the deferred taxes for the current year and the three previous years, with accrued interest, will usually become due and payable, this is commonly referred to as a “rollback”.

Present Use Value Program Guide

The North Carolina Department of Revenue (NCDOR) has developed a Present Use Value Program Guide that provides detailed information concerning the administration and requirements of the Present Use Value Program. The guide can be downloaded from the Department’s website at <https://www.ncdor.gov/present-use-value-program-guide>.

Use-Value Advisory Board Manual

The Use-Value Advisory Board is established under the supervision of the Agricultural Extension Service of North Carolina State University. The Board must annually submit to the NCDOR a recommended use-value manual. In developing the manual, the Board may consult with Federal and State agencies as needed.

The Use-Value Manual can be downloaded from the Department's website at <https://www.ncdor.gov/use-value-manual-agricultural-horticultural-and-forest-land>.

North Carolina General Statutes

The primary laws that govern the present use value program are found in North Carolina General Statutes 105-277.2 through 105-277.7 and 105-277.15 and can be accessed at <https://www.ncleg.gov/Laws/GeneralStatutes>.

Present Use Value Program Requirements

There are four tests that agricultural and horticultural land must meet in order to qualify for present use valuation. Forestland only has to meet three tests; the income test is not applied to forestland.

1. **Ownership** – All three classifications must meet the ownership requirements. Not all types of ownership qualify. The General Assembly has determined the types of ownership that may qualify, and are generally limited to ownership by individuals, certain trusts and certain farming-related business entities.
2. **Size** – All three classifications must meet the size requirement. Each qualifying farm unit must have at least one tract that meets the minimum size requirement for the classification being requested by the owner. Agricultural land requires at least one 10-acre tract in actual production. Horticultural land requires at least one 5-acre tract in actual production. Forestland requires at least one 20-acre tract in actual production.
3. **Income** – Only agricultural and horticultural classifications must meet the income requirement. Each agricultural and horticultural farm unit must produce at least \$1,000 average gross income over the three preceding years. The income must be from the sale of agricultural and horticultural products produced from the land. Forestland generally produces income only when timber is harvested, and many years may pass between required harvests. Therefore, it is not feasible to have a yearly income requirement for forestland.
4. **Sound Management** – All three classifications must meet the sound management requirements. Forestland must comply with a written sound management plan for the commercial production of timber. Agricultural and horticultural classifications can meet the sound management requirement by: enrollment in and compliance with an agency-administered and approved farm management plan; compliance with a set of best management practices for the commercial production of agricultural or horticultural products; compliance with a minimum gross income per acre test; evidence of net income from the farm operation; evidence that farming is the farm operator's principal source of income;

and/or certification by a recognized agricultural or horticultural agency within the county that the land is operated under a sound management program.

Classifications

Agricultural land is land that is actively engaged in the commercial production or growing of crops, plants or animals. Examples of agricultural products include soybeans, grains, tobacco, cotton, peanuts, corn, horses and cattle.

Horticultural land is land that is actively engaged in the commercial production or growing of fruits, vegetables, nursery products or floral products. Examples of horticultural products include apples, peaches, strawberries, pecans, sod, shrubs, greenhouse plants and evergreens intended for use as Christmas trees.

Forestland is land that is actively engaged in the commercial growing of trees.

Wildlife conservation land is land used for wildlife species protection, wildlife habitat protection or wildlife reserve.

Classification Requirements

Horticultural land requires at least one 5-acre tract in production and an average annual gross income of \$1,000. Agricultural land requires at least one 10-acre tract in production and an average annual gross income of \$1,000. Forestland requires at least one 20-acre tract in production and the land to be managed under a written forestry management plan. Wildlife conservation land requires at least one 20-acre tract and the land to be managed under a written wildlife conservation agreement with the North Carolina Wildlife Resources Commission.

Ownership Requirements

Qualifying ownership is limited to individuals, certain trusts and certain farming related business entities. All qualifying property must be individually owned. A business entity must have agriculture, horticulture or forestry as its principal business.

At the time of application, the owner must reside on the land or have owned the land for the four (4) full years preceding January 1 of the year the application is made, unless the owner already has another tract of land in the program or is continuing use.

Application Information

The present use value program is a voluntary program that provides the owner with preferential tax treatment if the owner and the property meet the eligibility requirements. Acceptance into the program also requires that the owner and the property continue to meet the requirements, and failure to do so is generally subject to financial consequences.

Initial Application: must be filed during the regular listing period, January 1 – January 31, or within 30 days of a notice of change in value.

Application Due to Transfer/Continued Use: must be filed within 60 days of the date of the property transfer (deed date). The property must currently be in the program and meet the all requirements for continued qualification.

Application for Expansion of an Existing Unit: must be filed during the regular listing period, January 1 – January 31, or within 30 days of a notice of change in value.

Deferral Program

The present use value program is a voluntary deferral program, not an exemption. When a property is removed from the present use value program, either voluntarily or involuntarily, the deferred taxes for the year of disqualification (usually the current year) and the three previous years, with accrued interest become immediately due and payable. Interest accrues on each year's taxes as if they had been payable on the dates on which they had originally become due, and both the principal and interest are due and payable when the property is removed from the program, this is commonly referred to as a "rollback".

Deferred taxes are a lien on the property. When the property is being sold a voluntary payment of the deferred taxes can be made, even if the new owner is interested in continuing in the program. This allows the new owner to be free and clear of the prior owner's lien. Please contact our office prior to property in the present use value program being sold, do not assume the new owner will automatically qualify for the program.

Compliance Reviews

Each county assessor is required by law to periodically review all properties that are receiving the benefit of the present use value classification to verify that these properties continue to qualify for the classification. The General Assembly recognized that the long-term success of the program depends on the integrity of the program and the assurance that only those who qualify for the present use value program receive the intended benefit.

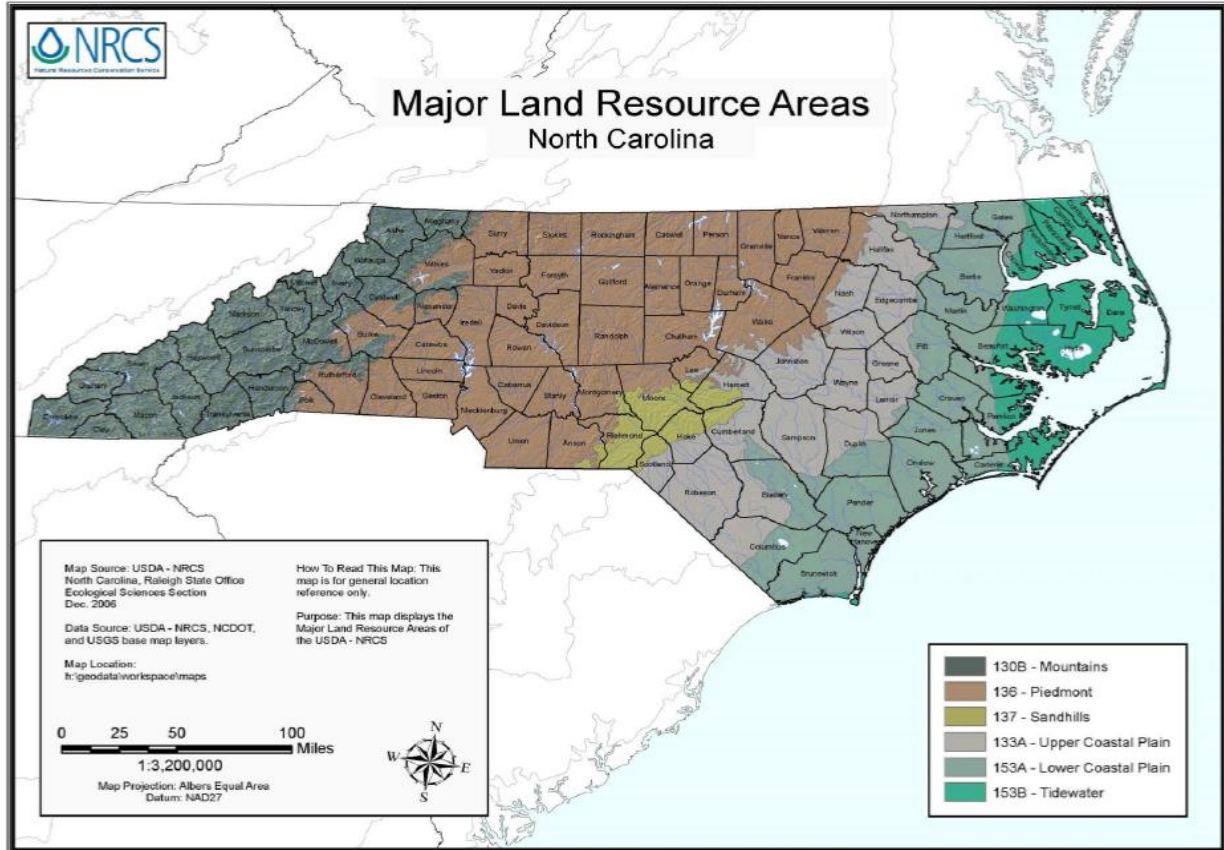
Compliance Review Frequency: agricultural and horticultural lands every 4 years. Forestlands is based on plan objectives, typically every 10 years. Wildlife conservation land is based on the agreement, typically every 5-8 years.

Base Rates

The base rates per acre are established using the use-value advisory board manual for the year of the reappraisal. All improvements to farmland and land not in the program is valued at the market value as of January 1, 2025, and not included in the deferred amount. All present use value parcels will be assessed the same base price per acre for the deferred land.

Present Use Value Schedule

The base rates are for Major Land Resource Area (MLRA) 130 – Mountains.



Wildlife may be either agriculture or forestry. Wildlife reserve is classified as agriculture and wildlife species and habitat protection is classified as forestry.

Land Codes

Code	Description
0200	Agriculture
0260	Agriculture Wildlife
0300	Horticulture
0400	Forestry
0460	Forestry Wildlife

Base Rates

Agriculture	Horticulture	Forestry
\$1,200	\$2,485	\$360

Calculation Example

	Acreage	X	Base Rate	=	Deferred Value
Agriculture	10	X	\$1,200	=	\$12,000
Horticulture	5	X	\$2,485	=	\$12,425
Forestry	20	X	\$360	=	\$7,200

Taxable Value Example

Market Value	25	X	\$10,000	=	\$250,000
Deferred Value	25	X	\$360	=	\$9,000
Deferred Amount	\$250,000	-	\$9,000	=	\$241,000
Net Taxable					\$9,000

Property Record Card

Present use value land data has a designated section on the property record card, which provides details about the calculation. This section only displays for parcels receiving deferment.

LAND DATA - MARKET VALUE											
MTH	CODE	DESCRIPTION	ZONING	PRICE PER ACRE	ACRES	ADJ 1	ADJ 2	ADJ 3	UTILITIES	VALUE	NOTES
1	A	0150 Res View		34,946	20.500	SA-35				716,390	
Total Acres:					20.500	Total Land Value:				716,390	
LAND DATA - PRESENT USE VALUE											
This section represents the Present Use Value of the land listed in the MARKET VALUE section above.											
MTH	CODE	DESCRIPTION	ZONING	PRICE PER ACRE	ACRES	ADJ 1	ADJ 2	ADJ 3	UTILITIES	VALUE	NOTES
2	A	0400 Forestry		360	20.500					7,380	
Total Acres:					20.500	Total Land Value:				7,380	

A value breakdown can be found on the card under value summary. The net taxable amount is the value the tax bill will be based on.

VALUE SUMMARY	
LAND:	716,390
BUILDING:	0
OBXF:	0
MARKET VALUE:	716,390
DEFERRED AMOUNT:	709,010
EXEMPT VALUE:	0
NET TAXABLE:	7,380

Additional Information

For additional information about the present use value program please visit <https://www.jacksonnc.org/exemptions> or contact the Tax Administration Department.