

Estimated Cropland and Pastureland Use Values using the Capitalized Cash Rental Rate Method – Tax Year 2016

USDA National Agricultural Statistical Service (NASS) released the third series of cash rental rates for irrigated and non-irrigated cropland and pastureland for Virginia counties and cities. These rental-rate values provide additional information for jurisdictions regarding agricultural land use-value assessment. Capitalized cash rental rates and the capitalized net income approach are both State Land Evaluation Advisory Council (SLEAC) approved methods for jurisdictions to consider when setting annual Agricultural and Horticultural Values. Below please find:

- Table 1 – Use-values¹ by jurisdiction for non-irrigated and irrigated cropland and pastureland (listed in alphabetic order).
- Table 2 – listing of counties and cities in each NASS crop reporting district

Values in Table 1 are derived from the existing methods for determining capitalization rates as described in the “Tax Year 2011: Methods and Procedures” found on the *Virginia's Use Value Assessment Program* web site at <http://usevalue.agecon.vt.edu/procedures.htm>. Rental rates as described below are divided by the capitalization rate for each jurisdiction to arrive at a per acre value for crop and/or pasture land.

NASS rental rates are annual values in \$/acre per year summarized from NASS surveys for the crop year 2014 and the data can be found at this NASS site: <http://quickstats.nass.usda.gov/>. If there are sufficient number of responses to meet NASS nondisclosure requirements for a jurisdiction then that value is published. For example, in Table 1 the specific rental rate for cropland in Albemarle is \$18.50 per acre. When there are not enough responses in a jurisdiction to meet NASS nondisclosure requirements, then all the data for the non-disclosed jurisdictions within a crop reporting district is summarized and published as a Combined Counties value. For example, in Table 1 the rental rate for cropland in Alleghany is \$29.50 per acre, the combined county value for Western District counties. For jurisdictions in the Western Crop Reporting Districts (Table 2), few individual counties had sufficient responses to provide county-level pastureland values; thus, the Combined County value is published. A note of caution: *Combined Counties rental rates cut across jurisdictional lines and may not reflect all local market conditions.*

Additional information, past year’s estimates, and publications on Virginia's Use Value Assessment Program can be found at <http://usevalue.agecon.vt.edu/>.

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¹Capitalized cash rental rate values are calculated for all jurisdictions regardless of their use value assessment status.

Table 1: 2014 cropland and pastureland values based on NASS¹capitalized rental rates (see end of table for footnotes)

Jurisdictions Counties	Capitalization Rate ²	----- Cropland -----		Irrigated cropland		----- Pastureland -----	
		Rental Rate \$/acre ¹	Value \$/acre ³	Rental Rate \$/acre ¹	Value \$/acre ³	Rental Rate \$/acre ¹	Value \$/acre ³
Accomack	0.0665	76 ^{cc}	1,140	--	--	34 ^{ep}	510
Albemarle	0.0694	18.5	270	--	--	17.5	250
Alleghany	0.0687	29.5 ^{wc}	430	--	--	21.5 ^{wp}	310
Amelia	0.0662	33	500	--	--	23	350
Amherst	0.0675	20	300	--	--	17	250
Appomattox	0.0675	24	360	--	--	18	270
Arlington	0.071	25 ^{nc}	350	--	--	33.5 ^{np}	470
Augusta	0.0672	57	850	--	--	21.5 ^{wp}	320
Bath	0.0666	29.5 ^{wc}	440	--	--	21.5 ^{wp}	320
Bedford	0.0674	20.5	300	--	--	17.5	260
Bland	0.0681	33	480	--	--	14 ^{swp}	210
Botetourt	0.0687	29.5 ^{wc}	430	--	--	16	230
Brunswick	0.0661	33	500	96	1,450	18.5	280
Buchanan	0.066	33.5 ^{swc}	510	--	--	14 ^{swp}	210
Buckingham	0.0667	18	270	--	--	17	250
Campbell	0.0672	22.5	330	--	--	13.5	200
Caroline	0.0684	58	850	--	--	19.5 ^{cp}	290
Carroll	0.0686	40	580	--	--	27.5	400
Charles City	0.0684	52	760	--	--	34 ^{ep}	500
Charlotte	0.0666	27	410	--	--	20.5	310
Chesapeake City	0.0731	73	880	--	--	20.5 ^{sep}	280
Chesterfield	0.0716	28.5 ^{cc}	400	--	--	19.5 ^{cp}	270
Clarke	0.0685	32	470	--	--	22	320
Craig	0.0672	13	190	--	--	13	190
Culpeper	0.069	47	680	--	--	23	330
Cumberland	0.0685	32	470	--	--	17.5	260
Dickenson	0.0677	33.5 ^{swc}	490	--	--	14 ^{swp}	210
Dinwiddie	0.0694	40	580	--	--	20.5 ^{sep}	300
Essex	0.0685	75	1,090	--	--	34 ^{ep}	500
Fairfax	0.0716	25 ^{nc}	350	--	--	33.5 ^{np}	470

SLEAC estimates apply to Tax Year 2016

Jurisdictions Counties	Capitalization Rate ²	----- Cropland -----		Irrigated cropland		----- Pastureland -----	
		Rental Rate \$/acre ¹	Value \$/acre ³	Rental Rate \$/acre ¹	Value \$/acre ³	Rental Rate \$/acre ¹	Value \$/acre ³
Fauquier	0.0704	36	510	--	--	21.5	310
Floyd	0.067	27	400	--	--	25	370
Fluvanna	0.0685	17	250	--	--	12	180
Franklin	0.0672	45	670	--	--	22.5	330
Frederick	0.0674	27	400	--	--	17	250
Giles	0.068	27.5	400	--	--	13.5	200
Gloucester	0.0684	76 ^{ec}	1,110	--	--	34 ^{ep}	500
Goochland	0.0677	47	690	--	--	22	320
Grayson	0.0662	38	570	--	--	21.5	320
Greene	0.0691	28.5 ^{cc}	410	--	--	19.5 ^{cp}	280
Greensville	0.0672	54	800			20.5 ^{sep}	310
Halifax	0.0667	28	420	--	--	16	240
Hanover	0.0701	58	830	125	1,780	14.5	210
Henrico	0.0707	28.5 ^{cc}	400	--	--	19.5 ^{cp}	280
Henry	0.0672	15	220	--	--	19	280
Highland	0.066	29.5 ^{wc}	450	--	--	14	210
Isle of Wight	0.068	75	1,100	--	--	20.5 ^{sep}	300
James City	0.0698	76 ^{ec}	1,090	--	--	34 ^{ep}	490
King and Queen	0.0666	65	980	--	--	34 ^{ep}	510
King George	0.0671	76 ^{ec}	1,130	--	--	34 ^{ep}	510
King William	0.0695	67	960	--	--	34 ^{ep}	490
Lancaster	0.0665	76 ^{ec}	1,140	--	--	34 ^{ep}	510
Lee	0.0678	25	370	--	--	20	290
Loudoun	0.0729	38	520	--	--	26.5	360
Louisa	0.0686	26	380	--	--	19.5	280
Lunenburg	0.0658	28	430	--	--	18.5	280
Madison	0.068	47	690	--	--	26	380
Mathews	0.0666	76 ^{ec}	1,140	--	--	34 ^{ep}	510
Mecklenburg	0.0657	33	500	88	1,340	19	290
Middlesex	0.066	76 ^{ec}	1,150	--	--	34 ^{ep}	520
Montgomery	0.0693	31	450	--	--	20	290

SLEAC estimates apply to Tax Year 2016

Jurisdictions Counties	Capitalization Rate ²	----- Cropland -----		Irrigated cropland		----- Pastureland -----	
		Rental Rate \$/acre ¹	Value \$/acre ³	Rental Rate \$/acre ¹	Value \$/acre ³	Rental Rate \$/acre ¹	Value \$/acre ³
Nelson	0.0681	28.5 ^{cc}	420	--	--	9.5	140
New Kent	0.0695	76 ^{cc}	1,090	--	--	34 ^{ep}	490
Northampton	0.0679	75	1,100	140	2,060	34 ^{ep}	500
Northumberland	0.066	75	1,140	--	--	34 ^{ep}	520
Nottoway	0.0666	22.5	340	--	--	19	290
Orange	0.0691	45	650	--	--	24	350
Page	0.0678	29	430	--	--	21.5	320
Patrick	0.0668	47	700	--	--	21	310
Pittsylvania	0.0675	34	500	--	--	19.5	290
Powhatan	0.0703	28.5 ^{cc}	410	--	--	19.5 ^{cp}	280
Prince Edward	0.0667	26	390	--	--	19.5	290
Prince George	0.0702	50	710	--	--	20.5 ^{sep}	290
Prince William	0.0718	27	380	--	--	22	310
Pulaski	0.0679	32	470	--	--	21	310
Rappahannock	0.0682	25 ^{nc}	370	--	--	13	190
Richmond	0.0672	77	1,150	--	--	34 ^{ep}	510
Roanoke	0.0726	29.5 ^{wc}	410	--	--	21.5 ^{wp}	300
Rockbridge	0.068	24	350	--	--	15.5	230
Rockingham	0.0679	77	1,130			33.5 ^{np}	490
Russell	0.0675	35	520	--	--	14 ^{swp}	210
Scott	0.0686	36	520	--	--	18.5	270
Shenandoah	0.067	45	670	--	--	22	330
Smyth	0.068	49	720	--	--	20.5	300
Southampton	0.0688	75	1,090	--	--	34.5	500
Spotsylvania	0.0694	21	300	--	--	17	240
Stafford	0.0709	25 ^{nc}	350	--	--	33.5 ^{np}	470
Suffolk City	0.0716	77	900	--	--	20.5 ^{sep}	290
Surry	0.0696	65	930	--	--	20.5 ^{sep}	290
Sussex	0.0667	62	930	--	--	20.5 ^{sep}	310
Tazewell	0.0679	44	650	--	--	26	380
Virginia Beach	0.0709	80	910	--	--	20.5 ^{sep}	290

SLEAC estimates apply to Tax Year 2016

Jurisdictions Counties	Capitalization Rate ²	----- Cropland -----		Irrigated cropland		----- Pastureland -----	
		Rental Rate \$/acre ¹	Value \$/acre ³	Rental Rate \$/acre ¹	Value \$/acre ³	Rental Rate \$/acre ¹	Value \$/acre ³
Warren	0.0678	23	340	--	--	16	240
Washington	0.0678	33.5 ^{swc}	490	--	--	28	410
Westmoreland	0.0664	80	1,200	--	--	34 ^{ep}	510
Wise	0.0675	33.5 ^{swc}	500	--	--	14 ^{swp}	210
Wythe	0.0666	36	540	--	--	26	390
York	0.0693	76 ^{ec}	1,100	--	--	34 ^{ep}	490
VA Average Rental Rates \$/Acre		54		100		21	
¹ National Agricultural Statistics Service (NASS) County-Level Cash Rent Data http://quickstats.nass.usda.gov/ . Accessed 3/5/2015. ² Capitalization Rate (without risk) is a sum of the average <u>interest rate component</u> (interest rate component is 10-year state average (2 year lag) (from AgFirst)) and <u>average property tax rate</u> (property tax component is 10-year jurisdiction average (3-year lag) (from Dept of Taxation)). ³ Values \$/acre = Land Rental Rate \$/ac ÷ Capitalization Rate. Values rounded to the nearest \$10.							
^{cc} Central District Cropland				^{cp} Central District Pasture			
^{ec} Eastern District Cropland				^{ep} Eastern District Pasture			
^{nc} Northern District Cropland				^{np} Northern District Pasture			
^{sec} Southeastern District Cropland				^{sep} Southeastern District Pasture			
^{sc} Southern District Cropland				^{sp} Southern District Pasture			
^{swc} Southwestern District Cropland				^{swp} Southwestern District Pasture			
^{wc} Western District Cropland				^{wp} Western District Pasture			

NASS Districts	Average Non-Irrigated Cropland \$/acre		Average Irrigated Cropland \$/acre		Average Pastureland \$/acre	
	Combined Counties	District	Combined Counties	District	Combined Counties	District
Central	28.5	40	73	84	19.5	17.5
Eastern	76	73.5	87	115	34	34
Northern	25	45	110	110	33.5	24
Southeastern	--	64.5	76.5	85	20.5	21.5
Southern	--	34	75	75	--	20
Southwestern	33.5	35.5	--	--	14	22
Western	29.5	39	--	--	21.5	17.5

Table 2: Jurisdictions within NASS crop reporting districts

Districts	Jurisdictions			
Central	Albemarle	Campbell	Greene	Orange
	Amelia	Caroline	Hanover	Powhatan
	Amherst	Chesterfield	Henrico	Prince Edward
	Appomattox	Cumberland	Louisa	Spotsylvania
	Bedford	Fluvanna	Nelson	
	Buckingham	Goochland		
Eastern	Accomack	King & Queen	Mathews	Northumberland
	Charles City	King George	Middlesex	Richmond
	Essex	King William	New Kent	Westmoreland
	Gloucester	Lancaster	Northampton	York
	James City			
Northern	Arlington	Fauquier	Page	Shenandoah
	Clarke	Frederick	Prince William	Stafford
	Culpeper	Loudoun	Rappahannock	Warren
	Fairfax	Madison	Rockingham	
Southeastern	Brunswick	Greensville	Prince George	Surry
	Chesapeake City	Isle of Wight	Southampton	Sussex
	Dinwiddie	Mecklenburg	Suffolk City	Virginia Beach City
Southern	Charlotte	Halifax	Lunenburg	Patrick
	Franklin	Henry	Nottoway	Pittsylvania
Southwestern	Bland	Floyd	Pulaski	Tazewell
	Buchanan	Giles	Russell	Washington
	Carroll	Grayson	Scott	Wise
	Dickenson	Lee	Smyth	Wythe
		Montgomery		
Western	Alleghany	Bath	Craig	Roanoke
	Augusta	Botetourt	Highland	Rockbridge