Virginia Use-Value Survey

Virginia Association of Assessing Officers (VAAO)
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Objectives

• Purpose
• Process Overview
• Summary of Preliminary Results
Purpose

To provide insight regarding agricultural and forestry districts, valuation of conservation easements, and the use-value taxation program in each jurisdiction.
Process

Development → Comments and revision → Sent out to each jurisdiction’s local assessor, commissioner of the revenue, etc.

New responses recorded ← Reminder sent out ← Results recorded
Of 134 counties and cities, we received 99 completed surveys
  - About 74% participation

Survey Participation

- Not Completed, 26%
- Completed, 74%
RESULTS
Conservation Easements

• 71% of the jurisdictions who responded have conservation easements
• Easements are valued using a variety of methods
How are easements valued?

*Other valuation methods include Farm Bureau input, current or historical SLEAC values, adjustments on a case-by-case basis, etc.
Use-Value Program

- Of the 99 responses, 70 have use-value assessment programs or agricultural/forestal districts
  - Northampton, New Kent, Fairfax, and Stauton counties are the only jurisdictions (who responded to the survey) with a district program but not a use-value ordinance
Use-value participation broken down

- Ag/Hort: 66
- Forestry: 55
- Open Space: 38
- Districts: 25

Number of Jurisdictions
## Application Process

<table>
<thead>
<tr>
<th>Information Required</th>
<th>Initial Application</th>
<th>Validation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minimum acreage requirements</td>
<td>X (94%)</td>
<td>X (79%)</td>
</tr>
<tr>
<td>Affidavit</td>
<td>X (70%)</td>
<td>X (63%)</td>
</tr>
<tr>
<td>A nutrient management, conservation, and/or timber management plan</td>
<td>X (61%)</td>
<td></td>
</tr>
<tr>
<td>Participation in government programs to improve environmental quality</td>
<td></td>
<td></td>
</tr>
<tr>
<td>A copy of the owners IRS 1040-Schedule F (farming) or 1040-Schedule T (timber).</td>
<td>X (57%)</td>
<td>X (61%)</td>
</tr>
<tr>
<td>A copy of the farm lease or an affidavit from the tenant stating the land is actively farmed</td>
<td>X (71%)</td>
<td>X (69%)</td>
</tr>
<tr>
<td>Physical inspection of participating tract.</td>
<td></td>
<td>X (60%)</td>
</tr>
</tbody>
</table>

An x indicates that a majority of the respondents with a use-value program require the information for either the initial application or the validation of eligibility.
None of the respondents indicated that their jurisdiction had adopted an ordinance that reduced the minimum acreage for specialty crops in the program.
A majority of respondents indicated that members of their staff dedicated about 1 to 20 hours per week ensuring that land in the program meets the eligibility requirements.
SLEAC Estimates: Horticultural

In establishing horticultural use values, SLEAC estimates are:

- **Major Factor, 31%**
- **Used Verbatim, 33%**
- **Minor Factor, 18%**
- **Not Considered, 18%**

Major Factor, 31%

Not Considered, 18%

Minor Factor, 18%

Used Verbatim, 33%
SLEAC Estimates: Agricultural

In establishing agricultural use values, SLEAC estimates are:

- Used Verbatim, 35%
- Major Factor, 34%
- Minor Factor, 14%
- Not Considered, 17%
SLEAC Estimates: Forestry

In establishing forestry use values, SLEAC estimates are:

- Not Considered, 16%
- Minor Factor, 18%
- Major Factor, 32%
- Used Verbatim, 34%
SLEAC Estimates: Open Space

In establishing open space use-values, SLEAC estimates are:

- Major Factor: 32%
- Used Verbatim: 34%
- Minor Factor: 18%
- Not Considered: 16%
SLEAC Estimates:
Agricultural and Forestal Districts

In establishing agricultural and forestal district use-values, SLEAC estimates are:

- Not Considered, 23%
- Minor Factor, 23%
- Major Factor, 27%
- Used Verbatim, 27%
Most respondents indicated that their jurisdictions uses a combination of agricultural and forestal SLEAC estimates to value non-golf course or park open space.
Rental Rate Approach

• Of the respondents with use-value programs, over half were not aware of the rental rate approach

• A majority of those who are aware use the estimates as a major factor in establishing use values or do not consider them at all.
GIS

• Of those with use-value programs, most do not employ GIS when tracking property values
  – Jurisdictions that do employ GIS use it to classify land uses, determine soil class acreage, etc.
Understanding of SLEAC Methodology

“My understanding of the SLEAC methodology for estimating the use values is sufficient for me to make proper use of these estimates.”

- A majority of respondents either “agreed” or “strongly agreed” with the above statement regarding agricultural, horticultural, forestal, and open space values
Thanks!
&
Questions?