

# Agricultural Census Use-value Assessment Program

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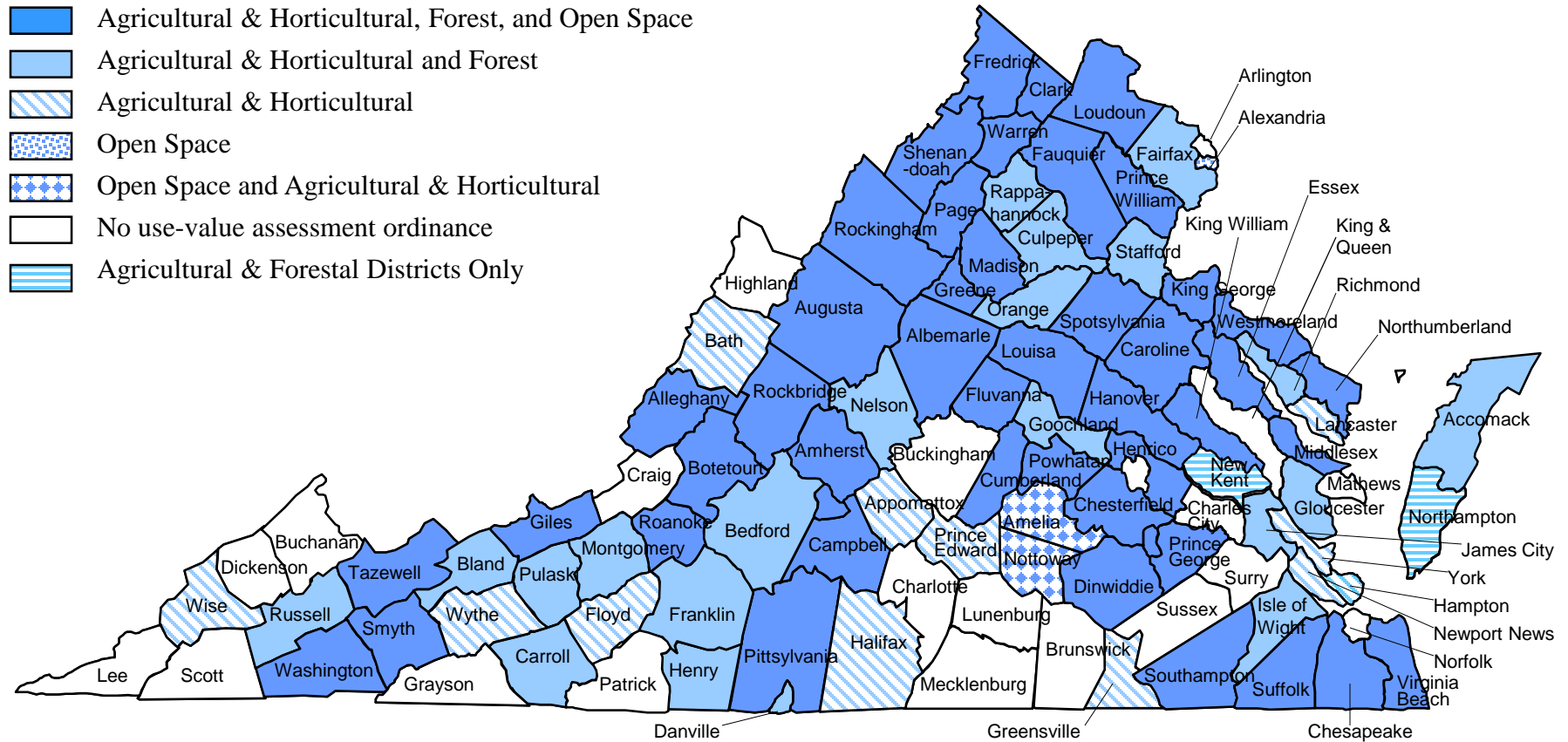
Website: <http://usevalue.agecon.vt.edu/>

July 10, 2019

# Outline

- Updates: Model
- Agricultural Census
- Discussion

**TY2020: Counties/Cities\* with use-value assessment ordinances**



\* Counties/Cities are identified from annual use-value reports and may differ from actual implementation. Contact government officials in each county/city for the current use-value implementation. Not all participating cities are identified on this map.

# Updates: Model

- New composite farms/acreages for each county based on 2017 Ag Census
- Machinery Tax included as variable cost in net return calculations (10 counties)
- Four new primary crops added to model (grain sorghum, lima beans, cucumbers, cabbage)
- TY2019- Forward: Long term interest rate is 7 yr straight average (previously 10 yr straight average)

# Essex County Composite Farm

Essex	County				
	2012Census	2017Census	2012Census	2017Census	Change (-) Decrease
	Crop Acres	Crop Acres	CF Acres <sup>1</sup>	CF Acres <sup>1</sup>	
#Farms	98	88			-10
Alfalfa <sup>2</sup>		67		1	1
Barley	2231	1270	23	14	-9
Cabbage					
Corn <sup>3</sup>	15976	16994	163	193	30
Cotton					
Cucumbers		(D)			
Hay <sup>4</sup>	492	649	5	7	2
Lima Beans		(D)			
Pasture <sup>5</sup>	1390	1255	14	14	
Peanuts					
Potatoes	(D)				
Pumpkins		(D)			
Snap Beans	2	(D)			
Sorghum					
Soybeans	19254	20043	196	228	32
Sweet Corn	(D)	(D)			
Tobacco					
Tomatoes	2	(D)			
Watermelons	(D)	(D)			
Wheat	8702	7829	89	89	
Double-cropped <sup>6</sup> (-)	10969	9099	112	103	-9
<b>Total</b>	<b>37,080</b>	<b>39,008</b>	<b>378</b>	<b>443</b>	<b>65</b>

(D) = Data withheld to avoid disclosing data of individual farms.

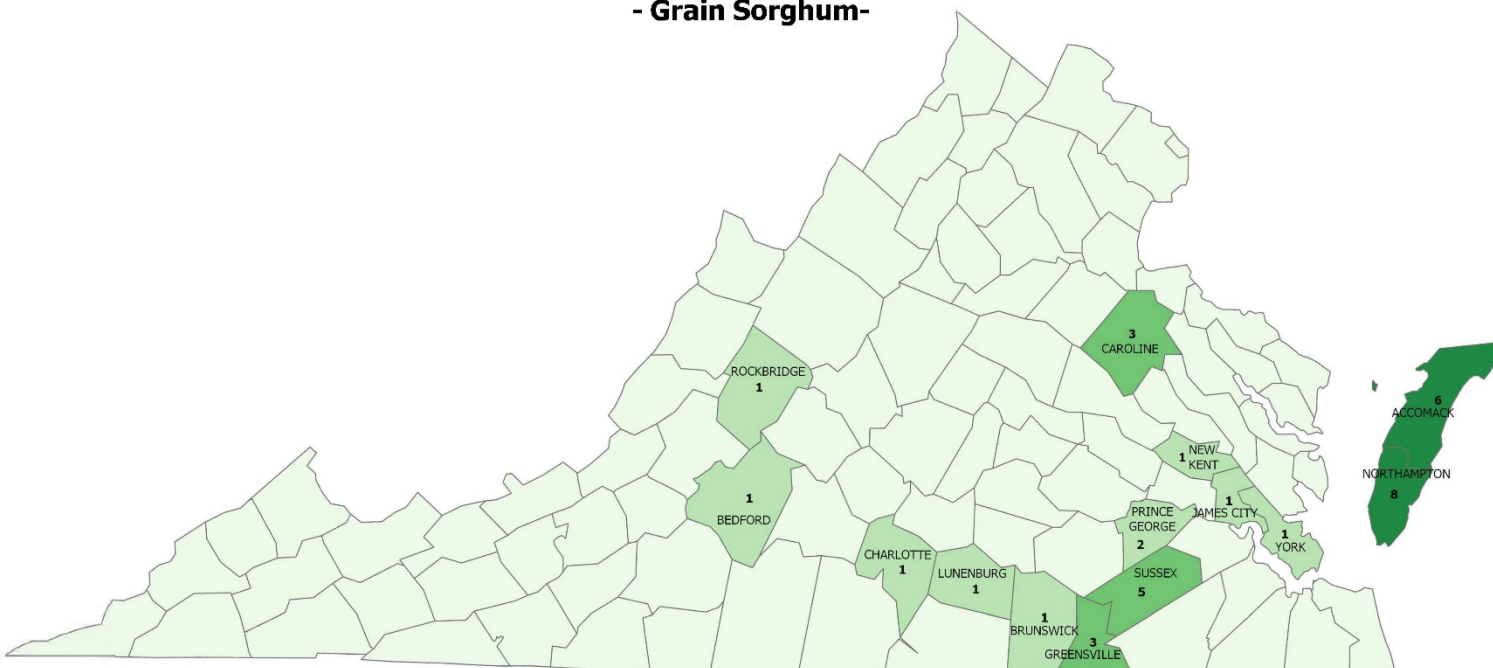
(Z) = Less than half of the unit shown.

- = Represents or not reported

*Note: [Publication w/ all jurisdictions on Use-Value website](#)...Big losses in Barley, Wheat... Counties with big changes: Fluvanna, Richmond, Greene, Caroline*

# New Primary Crops

## 2017 Agricultural Census Updated Composite Farm Acres - Grain Sorghum-



**No. of**  
**Counties:**

# Federal Land Bank Rates

## AgFirst: LongTerm AVG Rates

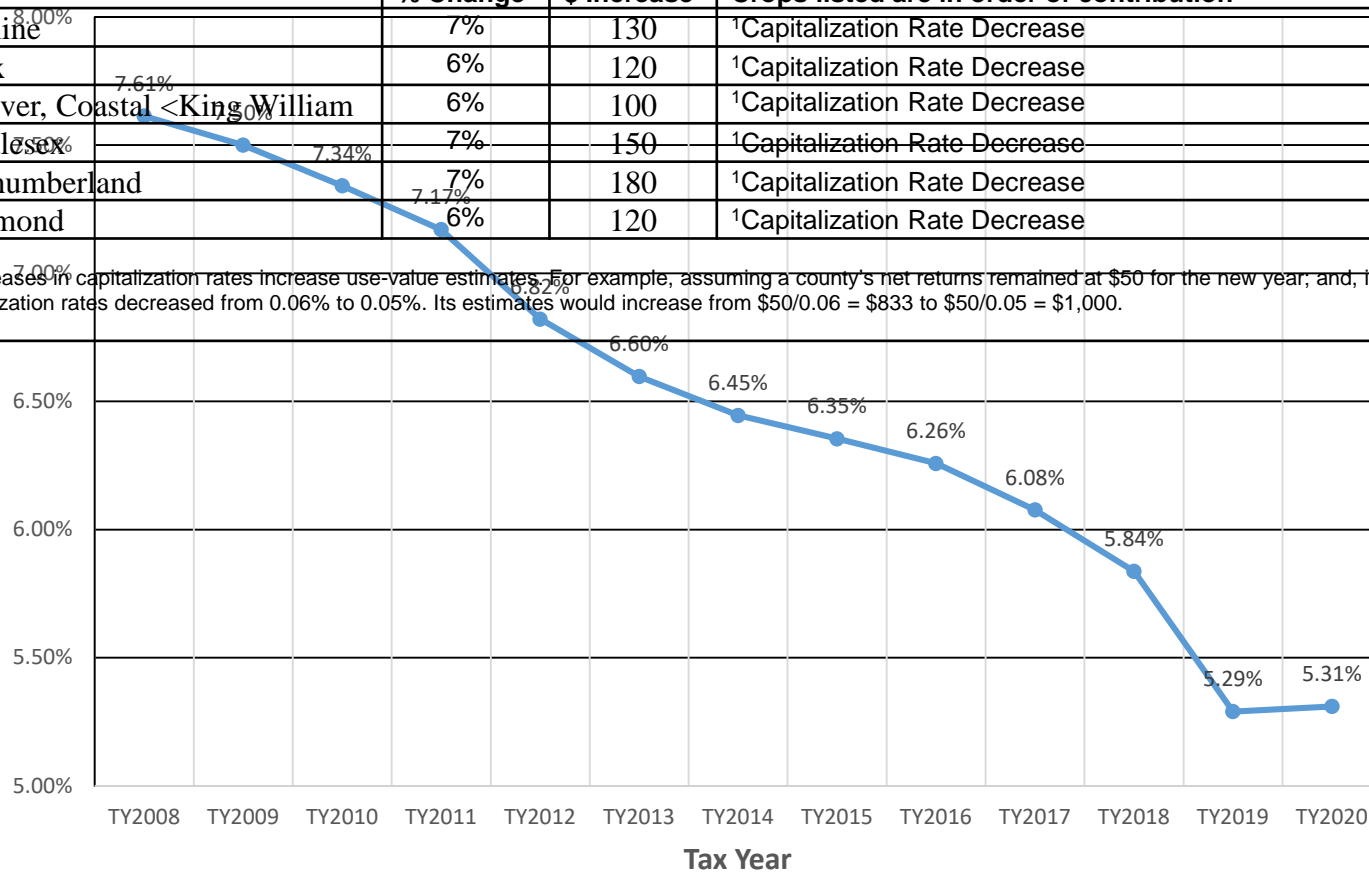
TY2008 - TY2018 10yr AVG: TY2019 & TY2020 7yr AVG

### TY2019 Counties effected by Capitalization Rate Change (Type III w/out risk)

	% Change	\$ Increase	Crops listed are in order of contribution
Caroline	7%	130	<sup>1</sup> Capitalization Rate Decrease
Essex	6%	120	<sup>1</sup> Capitalization Rate Decrease
Hanover, Coastal <King William	6%	100	<sup>1</sup> Capitalization Rate Decrease
Middlesex	7%	150	<sup>1</sup> Capitalization Rate Decrease
Northumberland	7%	180	<sup>1</sup> Capitalization Rate Decrease
Richmond	6%	120	<sup>1</sup> Capitalization Rate Decrease

<sup>1</sup> Decreases in capitalization rates increase use-value estimates. For example, assuming a county's net returns remained at \$50 for the new year; and, its capitalization rates decreased from 0.06% to 0.05%. Its estimates would increase from \$50/0.06 = \$833 to \$50/0.05 = \$1,000.

LongTerm AVG Rates



# Agricultural Census

- Released April 11, 2019. Originally scheduled for February 2019, but postponed due to the lapse in federal funding early in the year
- For 2017 Census, NASS changed demographic questions to better represent the roles of all the people involved in farm's decision making
- Census shows new data that can be compared to previous censuses for insights into trends and changes down to the county level
- [Quick Stats](#) or
- [Census Data Query Tool \(CDQT\)](#)



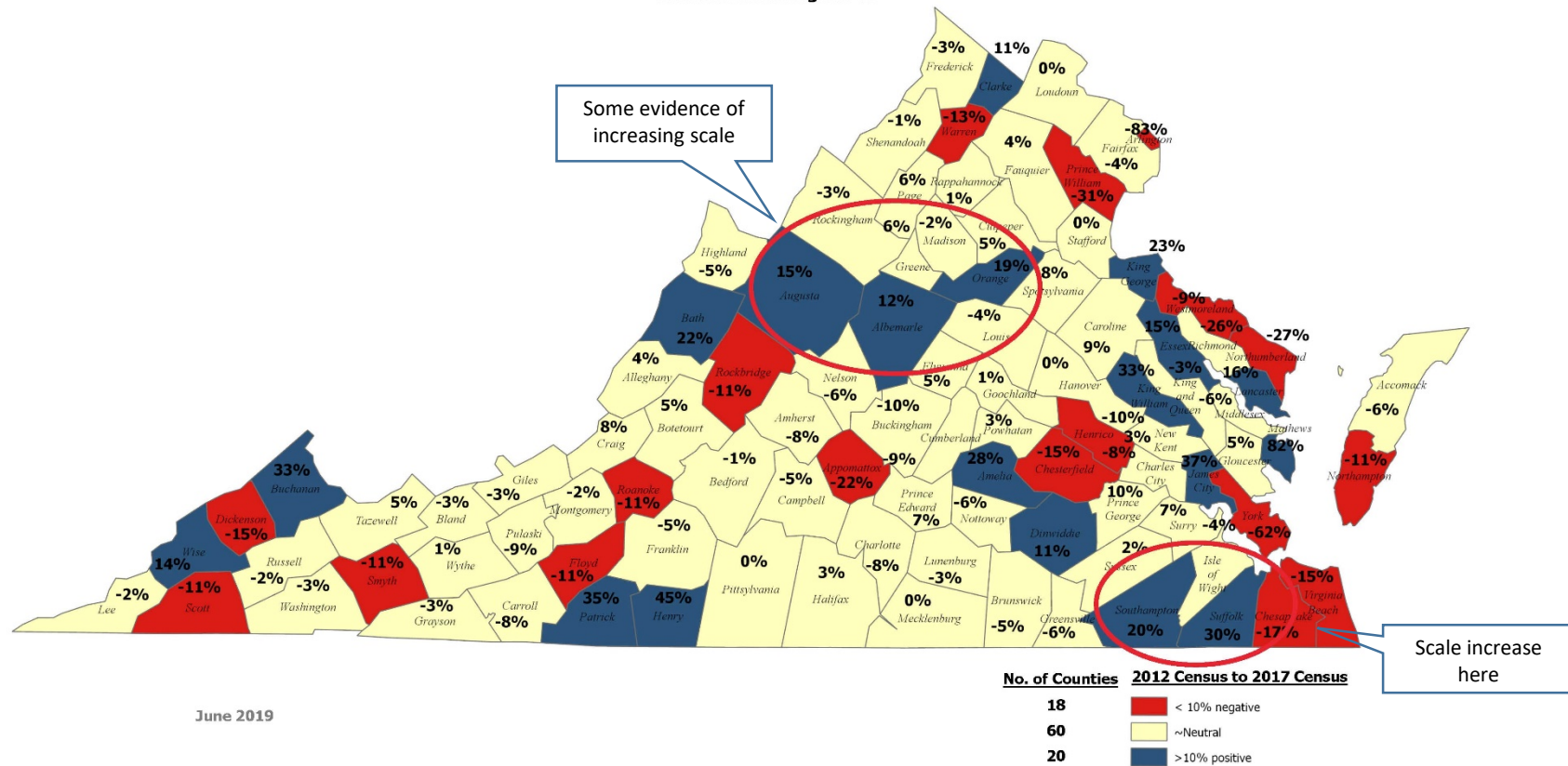
# Agricultural Census (VA)

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<b>Year</b>	<b>Number of Farms</b>	<b>Acres of Farm Land</b>
<i><b>2017</b></i>	<i><b>43,225</b></i>	<i><b>7,797,979</b></i>
2012	46,030	8,302,444
2007	47,383	8,103,925
2002	47,606	8,624,829
1997	49,366	8,753,625

# Agricultural Census (VA)

**2012 & 2017 Agricultural Census**  
**Percentage Change in Average Size of Farm**  
 Statewide Average: 0%

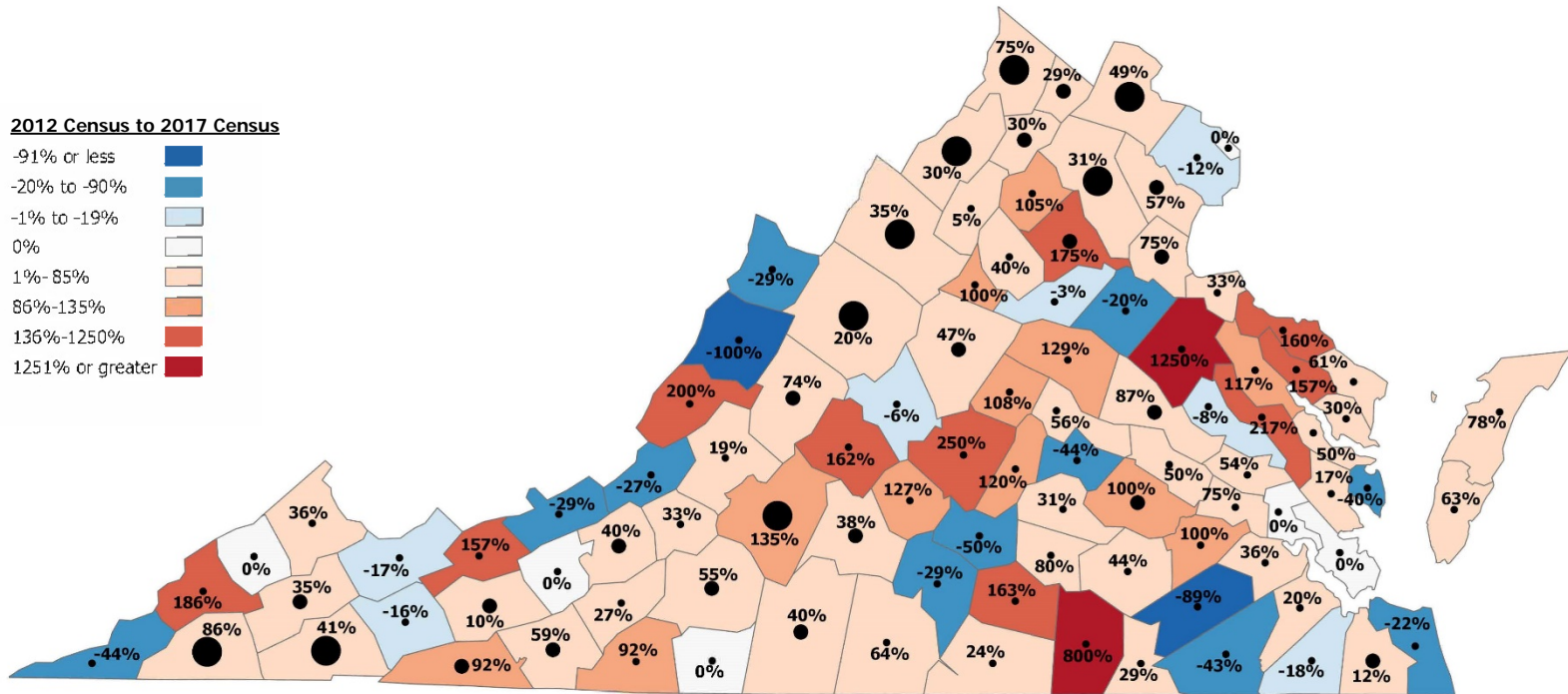
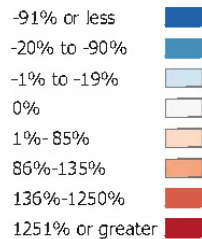


June 2019

# Agricultural Census (VA)

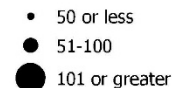
## 2012 & 2017 Agricultural Census Percentage Change in # Farms (1-9 ac) Statewide Average: 37.5%

### 2012 Census to 2017 Census



June 2019

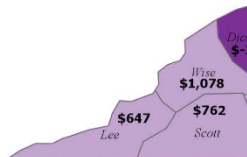
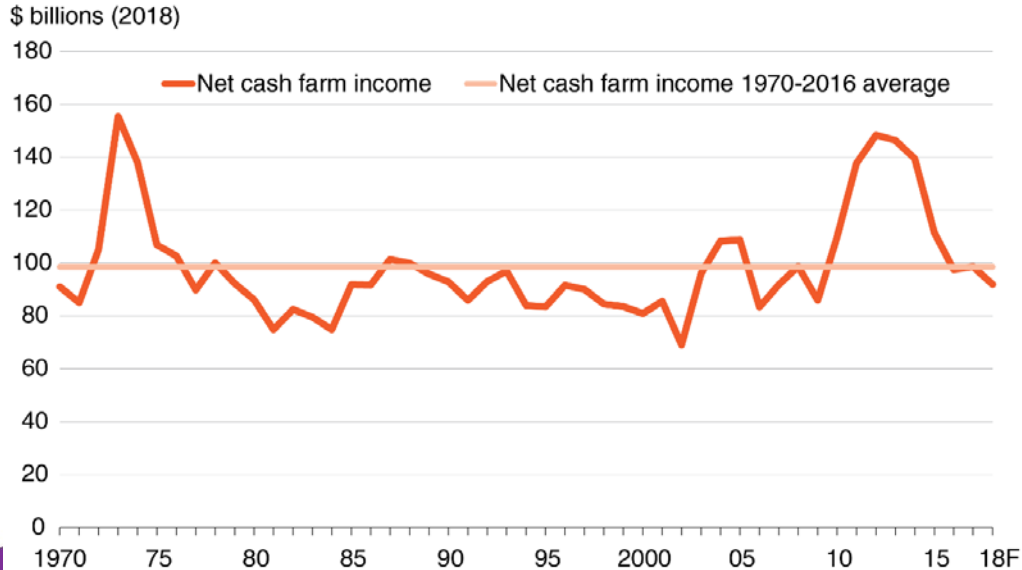
### 2017 Count of Farms (1-9 ac)



National average in small farms (1-9 acres) is +22%, VA is +37%  
Potential increase in eligible landowners for land use taxation in N and NW

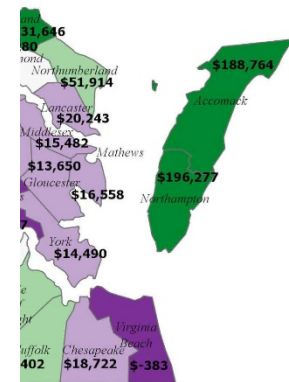
# Profits?

Net cash farm income forecast to fall below 1970-2016 average level



Note: F= Forecast. The GDP chain-type price index is used to allow purchasing power comparisons over time, converting the nominal (current-dollar) statistics to real (inflation-adjusted) amounts (2018=100).

Source: USDA, Economic Research Service, Farm Income and Wealth Statistics. Data as of July 17, 2018.



June 2019

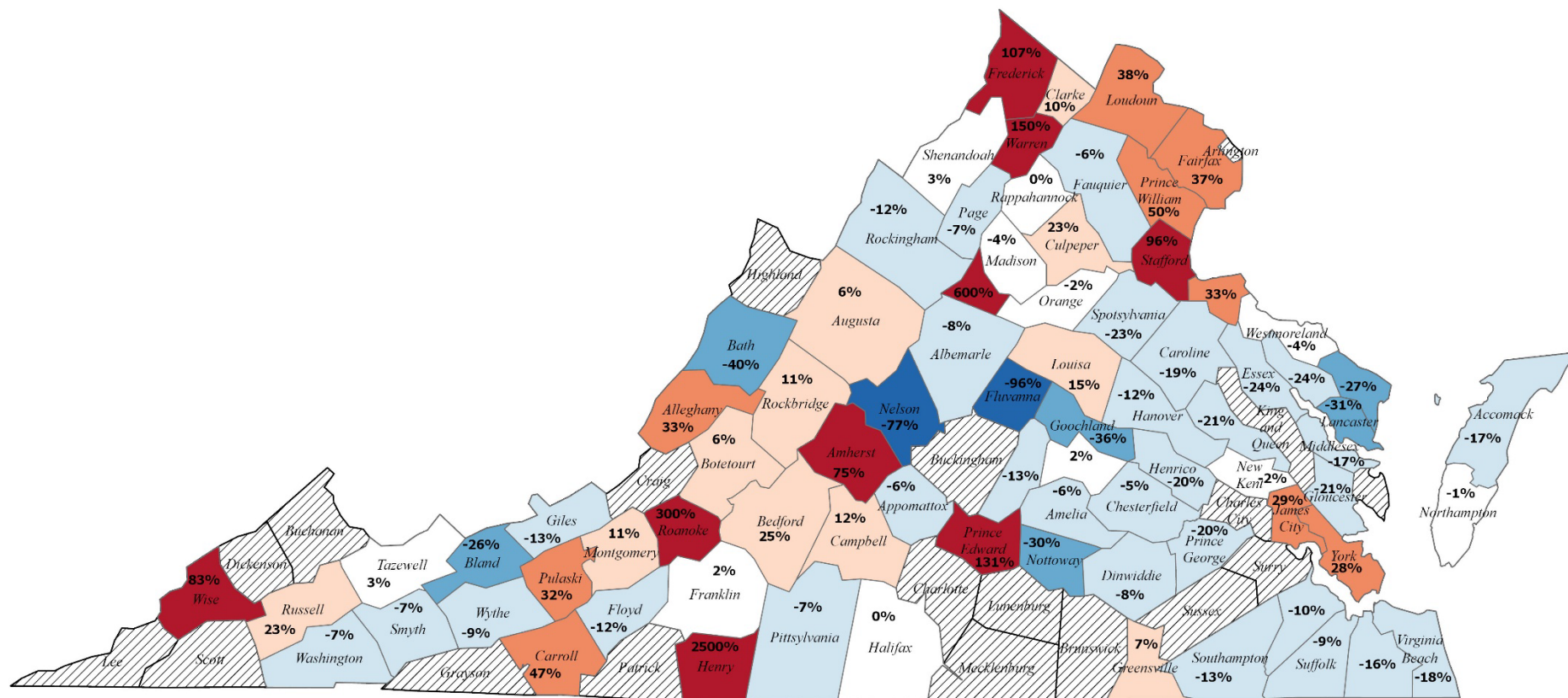
Income, Measured in \$/ Operation



# Comparison of TY2020 Values to TY2019 Values

## Class III Land w/out Risk

### -DRAFT-



No. of Counties	% Change
(2)	-50.00% or less
(6)	-25.00% to -49.99%
(31)	-5.00% to -24.99%
(11)	-4.99% to 4.99%
(11)	5.00% to 24.99%
(9)	25.00% to 49.99%
(9)	50.00% or greater

July 2019

*Thanks!*  
*&*  
*Discussion & Questions?*

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