

Estimated Cropland and Pastureland Use Values using the Capitalized Cash Rental Rate Method – Tax Year 2011

April 2010, USDA National Agricultural Statistical Service (NASS) released the second 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 below:

- [Table 1](#) – Use-values¹ by jurisdiction for non-irrigated and irrigated cropland and pastureland (cities are listed at the end of Table 1)
- [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 Years 2008 and 2009: 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 summarized from NASS surveys for the crop year 2009. The data can be found at: <http://quickstats.nass.usda.gov>. If there are sufficient numbers of responses to meet NASS nondisclosure requirements for a jurisdiction then that value is published, for example, in Table 1 the county specific rental rate for cropland in Accomack is \$60 per acre. If there were not enough responses in a jurisdiction to meet NASS nondisclosure requirements, then all the non-disclosed jurisdictions within a crop reporting district are summarized and published as a Combined Counties value. For example, in Table 1 the rental rate for cropland in Alleghany is \$30.5 per acre, the combined value for Western District counties. No jurisdictions in the Eastern Crop Reporting District (Table 1) meet the non-disclosure requirements to allow for county-specific pastureland values; thus, only the district average is used for capitalization. For example, the rental rate for pastureland in Accomack (Eastern District) is \$36 per acre (the average for the district). A note of caution: Values based on Combined Counties averages cut across jurisdictional lines and may not fully reflect 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: Cropland and pastureland values based on NASS¹ capitalized 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	0.0757	60	790	--	--	36 ^{ep}	480
Albemarle	0.0782	16.5	210	--	--	16	200
Alleghany	0.0775	30.5 ^{wc}	390	--	--	15.5 ^{wp}	200
Amelia	0.0754	26	350	--	--	22	290
Amherst	0.0766	25	330	--	--	15	200
Appomattox	0.0766	19	250	--	--	16	210
Arlington	0.0795	27.5 ^{nc}	350	--	--	20.5 ^{np}	260
Augusta	0.0765	40	520	--	--	26	340
Bath	0.0756	20	260	--	--	15	200
Bedford	0.0770	20	260	--	--	16	210
Bland	0.0768	26	340	--	--	16	210
Botetourt	0.0777	23	300	--	--	13	170
Brunswick	0.0753	24	320	--	--	17	230
Buchanan	0.0758	42.5 ^{swc}	560	--	--	16 ^{swp}	210
Buckingham	0.0757	18.5	240	--	--	18	240
Campbell	0.0764	21	270	--	--	15	200
Caroline	0.0773	52	670	--	--	24	310
Carroll	0.0767	37	480	--	--	23	300
Charles City	0.0776	54.5 ^{ec}	700	--	--	36 ^{ep}	460
Charlotte	0.0765	22	290	43	560	14	180
Chesterfield	0.0807	30.5 ^{cc}	380	--	--	19.5 ^{cp}	240
Clarke	0.0773	23	300	--	--	20	260
Craig	0.0762	17	220	--	--	14	180

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
Culpeper	0.0780	24	310	--	--	15	190
Cumberland	0.0773	23	300	--	--	17	220
Dickenson	0.0770	42.5 ^{swc}	550	--	--	16 ^{swp}	210
Dinwiddie	0.0781	34	440	57.5	740	15	190
Essex	0.0764	68	890	--	--	36 ^{ep}	470
Fairfax	0.0808	27.5 ^{nc}	340	--	--	20.5 ^{np}	250
Fauquier	0.0789	36.5	460	--	--	16	200
Floyd	0.0761	22.5	300	--	--	22	290
Fluvanna	0.0768	19.5	250	--	--	19	250
Franklin	0.0760	26	340	--	--	20	260
Frederick	0.0766	28	370	--	--	16	210
Giles	0.0770	16	210	--	--	15	190
Gloucester	0.0785	54.5 ^{ec}	690	--	--	36 ^{ep}	460
Goochland	0.0774	30.5 ^{cc}	390	--	--	22	280
Grayson	0.0752	30	400	--	--	22	290
Greene	0.0778	30.5 ^{cc}	390	--	--	18	230
Greensville	0.0764	47.5	620	--	--	26 ^{sep}	340
Halifax	0.0754	20	270	49	650	14	190
Hanover	0.0786	50	640	69	880	20	250
Henrico	0.0796	30.5 ^{cc}	380	--	--	19.5 ^{cp}	240
Henry	0.0764	31	410	--	--	15	200
Highland	0.0755	25	330	--	--	13.5	180
Isle of Wight	0.0775	51	660	--	--	26 ^{sep}	340
James City	0.0790	54.5 ^{ec}	690	--	--	36 ^{ep}	460
King and Queen	0.0762	52	680	--	--	36 ^{ep}	470
King George	0.0766	62	810	--	--	36 ^{ep}	470

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
King William	0.0778	61	780	--	--	36 ^{ep}	460
Lancaster	0.0756	54.5 ^{ec}	720	--	--	36 ^{ep}	480
Lee	0.0767	21	270	--	--	20	260
Loudoun	0.0809	27	330	--	--	24	300
Louisa	0.0775	21.5	280	--	--	21	270
Lunenburg	0.0750	18	240	--	--	16	210
Madison	0.0767	32	420	--	--	19	250
Mathews	0.0765	54.5 ^{ec}	710	--	--	36 ^{ep}	470
Mecklenburg	0.0748	23	310	46	610	19	250
Middlesex	0.0753	54.5 ^{ec}	720	--	--	36 ^{ep}	480
Montgomery	0.0775	25	320	--	--	19	250
Nelson	0.0771	15	190	--	--	10	130
New Kent	0.0781	54.5 ^{ec}	700	--	--	36 ^{ep}	460
Northampton	0.0761	62	810	79	1040	36 ^{ep}	470
Northumberland	0.0755	65	860	--	--	36 ^{ep}	480
Nottoway	0.0758	27	360	--	--	15	200
Orange	0.0778	30.5	390	--	--	23	300
Page	0.0767	31	400	--	--	23	300
Patrick	0.0756	27	360	--	--	17	230
Pittsylvania	0.0765	22	290	39	510	18	240
Powhatan	0.0788	30.5 ^{cc}	390	--	--	19.5 ^{cp}	250
Prince Edward	0.0760	30.5 ^{cc}	400	--	--	14	180
Prince George	0.0795	38	480	--	--	26 ^{sep}	330
Prince William	0.0815	27.5 ^{nc}	340	--	--	20.5 ^{np}	250
Pulaski	0.0766	25	330	--	--	24	310
Rappahannock	0.0775	27.5 ^{nc}	350	--	--	13	170

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
Richmond	0.0763	69	900	--	--	36 ^{ep}	470
Roanoke	0.0815	30.5 ^{wc}	370	--	--	15.5 ^{wp}	190
Rockbridge	0.0767	25	330	--	--	20	260
Rockingham	0.0772	50	650	--	--	35	450
Russell	0.0764	42.5 ^{swc}	560	--	--	18	240
Scott	0.0773	19	250	--	--	18	230
Shenandoah	0.0764	29	380	--	--	22	290
Smyth	0.0769	20.5	270	--	--	18	230
Southampton	0.0770	59.5	770	--	--	33	430
Spotsylvania	0.0789	20	250	--	--	14	180
Stafford	0.0799	27.5 ^{nc}	340	--	--	20.5 ^{np}	260
Surry	0.0781	53	680	--	--	26 ^{sep}	330
Sussex	0.0761	45	590	--	--	26 ^{sep}	340
Tazewell	0.0769	21.5	280	--	--	17	220
Warren	0.0771	20.5	270	--	--	20	260
Washington	0.0769	42	550	--	--	26	340
Westmoreland	0.0757	57	750	--	--	36 ^{ep}	480
Wise	0.0763	42.5 ^{swc}	560	--	--	16 ^{swp}	210
Wythe	0.0762	30	390	--	--	20	260
York	0.0788	54.5 ^{ec}	690	--	--	36 ^{ep}	460

Jurisdictions Cities	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
Chesapeake City	0.0835	75	900	--	--	26 ^{sep}	310
Suffolk City	0.0807	60	740	--	--	26 ^{sep}	320
Virginia Beach City	0.0810	56	690	--	--	26 ^{sep}	320

¹National Agricultural Statistics Service (NASS) County-Level Cash Rent Data <http://quickstats.nass.usda.gov> Accessed 4/13/2010.

²Capitalization Rate (without risk) is a sum of the average interest rate component (interest rate component is 10-year state average (2 year lag) (from AgFirst)) and average property tax rate (property tax component is 10-year jurisdiction average (3-year lag) (from Dept of Taxation)).

³Values \$/acre = Land Rental Rate \$/ac ÷ Capitalization Rate. Values rounded to the nearest \$10.

Combined county rental rates by NASS district	Cropland \$/acre	Irrigated Cropland \$/acre	Pastureland \$/acre
Central District	30.5 ^{cc}	63.0	19.5 ^{cp}
Eastern District	54.5 ^{ec}	76.5	36.0 ^{ep}
Northern District	27.5 ^{nc}	53.5	20.5 ^{np}
Southeastern District	--	60.5	26.0 ^{sep}
Southern District	--	27.5	--
Southwestern District	42.5 ^{swc}	33.5	16.0 ^{sw}
Western District	30.5 ^{wc}	58.0	15.5 ^{wp}
Virginia Average Rental Rates	42.5	65.0	19.0

Table 2: Jurisdictions within NASS crop reporting districts

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