

Estimated Cropland and Pastureland Use Values using the Capitalized Cash Rental Rate Method – Tax Year 2012

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 2010: 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 2010. 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 \$59.50 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 \$25 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 \$35 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: 2010 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	0.07206	59.5	830	109	1510	35 ^{ep}	490
Albemarle	0.07474	31	410	--	--	18.5	250
Alleghany	0.07404	25 ^{wc}	340	--	--	19.5 ^{wp}	260
Amelia	0.07177	25	350	--	--	21	290
Amherst	0.07313	17	230	--	--	15	210
Appomattox	0.07322	18.5	250	--	--	12.5	170
Arlington	0.07602	32.5 ^{nc}	430	--	--	22.5 ^{np}	300
Augusta	0.07293	40.5	560	--	--	28	380
Bath	0.07204	21.5	300	--	--	19.5	270
Bedford	0.07345	20	270	--	--	14.5	200
Bland	0.07337	19 ^{swc}	260	--	--	17.5	240
Botetourt	0.07409	25	340	--	--	13.5	180
Brunswick	0.07171	33.5	470	--	--	20	280
Buchanan	0.07217	19 ^{swc}	260	--	--	9.4 ^{swp}	130
Buckingham	0.07225	19.5	270	--	--	16	220
Campbell	0.07286	19.5	270	--	--	14	190
Caroline	0.07382	48.5	660	--	--	29.5	400
Carroll	0.07330	19 ^{swc}	260	--	--	21	290
Charles City	0.07408	54 ^{ec}	730	--	--	35 ^{ep}	470
Charlotte	0.07282	23.5	320	--	--	18.5	250
Chesapeake City	0.07976	69	870	--	--	33 ^{sep}	410
Chesterfield	0.07722	38	490	--	--	23 ^{cp}	300
Clarke	0.07373	24.5	330	--	--	19	260
Craig	0.07276	21	290	--	--	12.5	170
Culpeper	0.07451	25.5	340	--	--	11	150
Cumberland	0.07382	21	280	--	--	20	270
Dickenson	0.07349	19 ^{swc}	260	--	--	9.4 ^{swp}	130

SLEAC estimates apply to Tax Year 2012

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
Dinwiddie	0.07458	38.5	520	44.5	610	15	200
Essex	0.07300	61	840	--	--	35 ^{ep}	480
Fairfax	0.07725	32.5 ^{nc}	420	--	--	22.5 ^{np}	290
Fauquier	0.07539	37.5	500	--	--	16	210
Floyd	0.07248	24	330	--	--	22.5	310
Fluvanna	0.07332	26.5	360	--	--	16	220
Franklin	0.07254	30	410	--	--	16.5	230
Frederick	0.07314	29	400	--	--	16	220
Giles	0.07353	16.5	220	--	--	11	150
Gloucester	0.07470	54 ^{ec}	720	--	--	35 ^{ep}	470
Goochland	0.07368	38 ^{cc}	520	--	--	15.5	210
Grayson	0.07155	36	500	--	--	20	280
Greene	0.07431	25	340	--	--	16.5	220
Greensville	0.07279	51.5	710	--	--	22	300
Halifax	0.07205	21	290	64	880	20.5	280
Hanover	0.07529	46	610	--	--	19.5	260
Henrico	0.07619	38 ^{cc}	500	--	--	23 ^{cp}	300
Henry	0.07290	29 ^{sc}	400	--	--	17.5	240
Highland	0.07196	18.5	260	--	--	14	190
Isle of Wight	0.07385	50	680	--	--	39	530
James City	0.07541	54 ^{ec}	720	--	--	35 ^{ep}	460
King and Queen	0.07254	54	740	--	--	32.5	450
King George	0.07294	43.5	600	--	--	35 ^{ep}	480
King William	0.07444	64.5	870	--	--	35 ^{ep}	470
Lancaster	0.07205	54 ^{ec}	750	--	--	35 ^{ep}	490
Lee	0.07315	26	360	--	--	17	230
Loudoun	0.07761	27	350	--	--	24	310
Louisa	0.07398	24.5	330	--	--	17.5	240
Lunenburg	0.07145	29 ^{sc}	410	--	--	12.5	170

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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
Madison	0.07325	30.5	420	--	--	15	200
Mathews	0.07273	54 ^{ec}	740	--	--	35	480
Mecklenburg	0.07134	24	340	61.5	860	14	200
Middlesex	0.07166	54 ^{ec}	750	--	--	35 ^{ep}	490
Montgomery	0.07412	26.5	360	--	--	20	270
Nelson	0.07355	28.5	390	--	--	12	160
New Kent	0.07466	54 ^{ec}	720	--	--	35 ^{ep}	470
Northampton	0.07263	61	840	82	1100	35 ^{ep}	480
Northumberland	0.07182	54	750	--	--	35 ^{ep}	490
Nottoway	0.07228	19.5	270	--	--	15.5	210
Orange	0.07431	36	480	--	--	26.5	360
Page	0.07325	35	480	--	--	22.5 ^{np}	310
Patrick	0.07209	36.5	510	--	--	17	240
Pittsylvania	0.07307	23	310	40	510	17	230
Powhatan	0.07544	38 ^{cc}	500	--	--	23 ^{cp}	300
Prince Edward	0.07236	24.5	340	--	--	22	300
Prince George	0.07597	58	760	--	--	33 ^{sep}	430
Prince William	0.07775	26.5	340	--	--	14.5	190
Pulaski	0.07308	31	420	--	--	24.5	340
Rappahannock	0.07383	32.5 ^{nc}	440	--	--	13	180
Richmond	0.07202	67	930	--	--	35 ^{ep}	490
Roanoke	0.07800	25 ^{wc}	320	--	--	19.5 ^{wp}	250
Rockbridge	0.07321	29	400	--	--	18	250
Rockingham	0.07364	59	800	60.5	830	36	490
Russell	0.07285	24.5	340	--	--	13	180
Scott	0.07393	31	420	--	--	23	310
Shenandoah	0.07281	33.5	460	--	--	26	360
Smyth	0.07329	25.5	350	--	--	25	340
Southampton	0.07359	57.5	780	--	--	33 ^{sep}	450

SLEAC estimates apply to Tax Year 2012

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
Spotsylvania	0.07528	30	400	--	--	17	230
Stafford	0.07645	32.5 ^{nc}	430	--	--	22.5 ^{np}	290
Surry	0.07463	56	750	--	--	33 ^{sep}	440
Suffolk City	0.07713	65	840	--	--	33 ^{sep}	430
Sussex	0.07255	41	570	--	--	19	260
Tazewell	0.07353	30.5	410	--	--	26.5	360
Virginia Beach	0.07725	63	820	--	--	33 ^{sep}	430
Warren	0.07352	22	300	--	--	15.5	210
Washington	0.07335	39	530	--	--	23.5	320
Westmoreland	0.07206	62.5	870	--	--	35 ^{ep}	490
Wise	0.07285	19 ^{wc}	260	--	--	9.4 ^{swp}	130
Wythe	0.07258	19 ^{wc}	260	--	--	9.4 ^{swp}	130
York	0.07516	54 ^{ec}	720	--	--	35 ^{ep}	470
VA Average Rental Rates \$/Acre		43.5		73		19	
¹ National Agricultural Statistics Service (NASS) County-Level Cash Rent Data http://quickstats.nass.usda.gov/ . Accessed 2/8/2011. 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 Cropland \$/acre		Average Irrigated Cropland \$/acre		Average Pastureland \$/acre	
	Combined Counties	District	Combined Counties	District	Combined Counties	District
Central District	38	33.5	--	--	23	18
Eastern District	54	58.5	87	90	35	34.5
Northern District	32.5	35	40.5	51.5	22.5	19
Southeastern District	--	53	54.5	54.5	33	19.5
Southern District	29	25.5	30	43.5	--	17
Southwestern District	19	26.5	--	--	9.4	20
Western District	25	39.5	39.5	30	19.5	18

Table 2: Jurisdictions within NASS crop reporting districts

Districts	Jurisdictions			
Central	Albemarle	Buckingham	Goochland	Nelson
	Amelia	Campbell	Greene	Orange
	Amherst	Caroline	Hanover	Powhatan
	Appomattox	Chesterfield	Henrico	Prince Edward
	Bedford	Cumberland	Louisa	Spotsylvania
	Fluvanna			
Eastern	Accomack	James City	Lancaster	Northampton
	Charles City	King & Queen	Mathews	Northumberland
	Essex	King George	Middlesex	Richmond
	Gloucester	King William	New Kent	Westmoreland
			York	
Northern	Arlington	Fauquier	Prince William	Shenandoah
	Clarke	Frederick	Rappahannock	Stafford
	Culpeper	Loudoun	Rockingham	Warren
	Fairfax	Madison		
		Page		
Southeastern	Brunswick	Isle of Wight	Southampton	Virginia Beach City
	Chesapeake City	Mecklenburg	Suffolk City	
	Dinwiddie	Prince George	Surry	
	Greensville		Sussex	
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