

Estimated Cropland and Pastureland Use Values using the Capitalized Cash Rental Rate Method – Tax Year 2017

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**² 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.

² NASS did not collect county-level rental rate data for 2015. Rental rates from 2014 were used for Tax Year 2017.

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

Jurisdictions Counties	Capitalization Rate TY2017 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	0.0649	76 ^{cc}	1,170	--	--	34 ^{ep}	520
Albemarle	0.0677	18.5	270	--	--	17.5	260
Alleghany	0.0670	29.5 ^{wc}	440	--	--	21.5 ^{wp}	320
Amelia	0.0644	33	510	--	--	23	360
Amherst	0.0657	20	300	--	--	17	260
Appomattox	0.0658	24	360	--	--	18	270
Arlington	0.0694	25 ^{nc}	360	--	--	33.5 ^{np}	480
Augusta	0.0655	57	870	--	--	21.5 ^{wp}	330
Bath	0.0649	29.5 ^{wc}	450	--	--	21.5 ^{wp}	330
Bedford	0.0656	20.5	310	--	--	17.5	270
Bland	0.0664	33	500	--	--	14 ^{swp}	210
Botetourt	0.0670	29.5 ^{wc}	440	--	--	16	240
Brunswick	0.0644	33	510	96	1,490	18.5	290
Buchanan	0.0641	33.5 ^{swc}	520	--	--	14 ^{swp}	220
Buckingham	0.0649	18	280	--	--	17	260
Campbell	0.0654	22.5	340	--	--	13.5	210
Caroline	0.0669	58	870	--	--	19.5 ^{cp}	290
Carroll	0.0666	40	600	--	--	27.5	410
Charles City	0.0667	52	780	--	--	34 ^{ep}	510
Charlotte	0.0648	27	420	--	--	20.5	320
Chesapeake City	0.0711	73	1,030	--	--	20.5 ^{sep}	290
Chesterfield	0.0698	28.5 ^{cc}	410	--	--	19.5 ^{cp}	280
Clarke	0.0669	32	480	--	--	22	330
Craig	0.0655	13	200	--	--	13	200
Culpeper	0.0672	47	700	--	--	23	340
Cumberland	0.0669	32	480	--	--	17.5	260
Dickenson	0.0660	33.5 ^{swc}	510	--	--	14 ^{swp}	210
Dinwiddie	0.0677	40	590	--	--	20.5 ^{sep}	300
Essex	0.0670	75	1,120	--	--	34 ^{ep}	510
Fairfax	0.0699	25 ^{nc}	360	--	--	33.5 ^{np}	480

SLEAC estimates apply to Tax Year 2017

Jurisdictions Counties	Capitalization Rate TY2017 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	0.0688	36	520	--	--	21.5	310
Floyd	0.0652	27	410	--	--	25	380
Fluvanna	0.0671	17	250	--	--	12	180
Franklin	0.0655	45	690	--	--	22.5	340
Frederick	0.0656	27	410	--	--	17	260
Giles	0.0663	27.5	410	--	--	13.5	200
Gloucester	0.0666	76 ^{ec}	1,140	--	--	34 ^{ep}	510
Goochland	0.0659	47	710	--	--	22	330
Grayson	0.0645	38	590	--	--	21.5	330
Greene	0.0673	28.5 ^{cc}	420	--	--	19.5 ^{cp}	290
Greensville	0.0655	54	820			20.5 ^{sep}	310
Halifax	0.0651	28	430	--	--	16	250
Hanover	0.0683	58	850	125	1,830	14.5	210
Henrico	0.0690	28.5 ^{cc}	410	--	--	19.5 ^{cp}	280
Henry	0.0653	15	230	--	--	19	290
Highland	0.0642	29.5 ^{wc}	460	--	--	14	220
Isle of Wight	0.0663	75	1,130	--	--	20.5 ^{sep}	310
James City	0.0680	76 ^{ec}	1,120	--	--	34 ^{ep}	500
King and Queen	0.0649	65	1,000	--	--	34 ^{ep}	520
King George	0.0654	76 ^{ec}	1,160	--	--	34 ^{ep}	520
King William	0.0679	67	990	--	--	34 ^{ep}	500
Lancaster	0.0649	76 ^{ec}	1,170	--	--	34 ^{ep}	520
Lee	0.0659	25	380	--	--	20	300
Loudoun	0.0713	38	530	--	--	26.5	370
Louisa	0.0669	26	390	--	--	19.5	290
Lunenburg	0.0640	28	440	--	--	18.5	290
Madison	0.0665	47	710	--	--	26	390
Mathews	0.0649	76 ^{ec}	1,170	--	--	34 ^{ep}	520
Mecklenburg	0.0640	33	520	88	1,370	19	300
Middlesex	0.0644	76 ^{ec}	1,180	--	--	34 ^{ep}	530
Montgomery	0.0678	31	460	--	--	20	300

SLEAC estimates apply to Tax Year 2017

Jurisdictions Counties	Capitalization Rate TY2017 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	0.0665	28.5 ^{cc}	430	--	--	9.5	140
New Kent	0.0678	76 ^{cc}	1,120	--	--	34 ^{ep}	500
Northampton	0.0664	75	1,130	140	2,110	34 ^{ep}	510
Northumberland	0.0643	75	1,170	--	--	34 ^{ep}	530
Nottoway	0.0648	22.5	350	--	--	19	290
Orange	0.0675	45	670	--	--	24	360
Page	0.0662	29	440	--	--	21.5	320
Patrick	0.0651	47	720	--	--	21	320
Pittsylvania	0.0658	34	520	--	--	19.5	300
Powhatan	0.0686	28.5 ^{cc}	420	--	--	19.5 ^{cp}	280
Prince Edward	0.0650	26	400	--	--	19.5	300
Prince George	0.0684	50	730	--	--	20.5 ^{sep}	300
Prince William	0.0701	27	390	--	--	22	310
Pulaski	0.0661	32	480	--	--	21	320
Rappahannock	0.0667	25 ^{nc}	370	--	--	13	190
Richmond	0.0657	77	1,170	--	--	34 ^{ep}	520
Roanoke	0.0708	29.5 ^{wc}	420	--	--	21.5 ^{wp}	300
Rockbridge	0.0664	24	360	--	--	15.5	230
Rockingham	0.0661	77	1,160	--	--	33.5 ^{np}	510
Russell	0.0657	35	530	--	--	14 ^{swp}	210
Scott	0.0668	36	540	--	--	18.5	280
Shenandoah	0.0654	45	690	--	--	22	340
Smyth	0.0663	49	740	--	--	20.5	310
Southampton	0.0673	75	1,120	--	--	34.5	510
Spotsylvania	0.0676	21	310	--	--	17	250
Stafford	0.0692	25 ^{nc}	360	--	--	33.5 ^{np}	480
Suffolk City	0.0699	77	1,100	--	--	20.5 ^{sep}	290
Surry	0.0680	65	960	--	--	20.5 ^{sep}	300
Sussex	0.0650	62	950	--	--	20.5 ^{sep}	320
Tazewell	0.0661	44	670	--	--	26	390
Virginia Beach	0.0690	80	1,160	--	--	20.5 ^{sep}	300

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Jurisdictions Counties	Capitalization Rate TY2017 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	0.0660	23	350	--	--	16	240
Washington	0.0660	33.5 ^{swc}	510	--	--	28	420
Westmoreland	0.0648	80	1,240	--	--	34 ^{ep}	520
Wise	0.0657	33.5 ^{swc}	510	--	--	14 ^{swp}	210
Wythe	0.0648	36	560	--	--	26	400
York	0.0675	76 ^{ec}	1,130	--	--	34 ^{ep}	500
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