

Estimated Cropland and Pastureland Use Values using the Capitalized Cash Rental Rate Method – Tax Year 2018

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 2016** 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 \$24 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 \$26.50 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.

Table 1: 2016 cropland and pastureland values based on NASS¹capitalized rental rates (see end of table for footnotes)

Jurisdictions Counties ²	Capitalization Rate TY2018 ³	----- Cropland -----		Irrigated cropland		----- Pastureland -----	
		Rental Rate \$/acre ⁴	Value \$/acre ⁵	Rental Rate \$/acre ⁴	Value \$/acre ⁵	Rental Rate \$/acre ⁴	Value \$/acre ⁵
Accomack	0.0628	84	1,337	95	1,512	--	--
Albemarle	0.0655	24	359	--	--	16.5	252
Alleghany	0.0647	26.5 ^{wc}	410	--	--	20.5 ^{wp}	317
Amelia	0.0622	33	531	--	--	25	402
Amherst	0.0634	24	378	--	--	15.5	244
Appomattox	0.0636	24	378	--	--	16	252
Augusta	0.0632	56	887	82.5	1,306	20.5 ^{wp}	325
Bath	0.0627	24	375	--	--	13	207
Bedford	0.0632	21	332	--	--	15.5	245
Bland	0.0641	36	562	--	--	19	297
Botetourt	0.0648	32	494	--	--	17.5	270
Campbell	0.0631	23	357	--	--	15.5	246
Caroline	0.0649	58	894	--	--	24	370
Carroll	0.0644	37	575	--	--	27.5	427
Chesapeake	0.0685	71	1,037	--	--	--	--
Chesterfield	0.0674	50 ^{cc}	741	--	--	24.5 ^{cp}	363
Clarke	0.0648	36	555	--	--	22.5	347
Culpeper	0.0650	44	677	--	--	19.5	300
Cumberland	0.0646	32	487	--	--	15.5	240
Dinwiddie	0.0654	40	604	--	--	--	--
Essex	0.0651	77	1,184	--	--	--	--
Fairfax	0.0678	32 ^{nc}	472	--	--	30 ^{pp}	443
Fauquier	0.0668	44	658	--	--	18	269
Floyd	0.0629	34	540	--	--	21.5	342
Fluvanna	0.0651	23	345	--	--	12	184
Franklin	0.0632	41	649	--	--	19.5	309
Frederick	0.0633	31	489	--	--	16	253
Giles	0.0639	30	461	--	--	14	219

SLEAC estimates apply to Tax Year 2018

Jurisdictions Counties ²	Capitalization Rate TY2018 ³	----- Cropland -----		Irrigated cropland		----- Pastureland -----	
		Rental Rate \$/acre ⁴	Value \$/acre ⁵	Rental Rate \$/acre ⁴	Value \$/acre ⁵	Rental Rate \$/acre ⁴	Value \$/acre ⁵
Gloucester	0.0643	63.5 ^{ec}	987	--	--	--	--
Goochland	0.0635	50 ^{cc}	787	--	--	23	362
Greene	0.0651	50 ^{cc}	768	--	--	24.5 ^{cp}	376
Greensville	0.0633	64	1,010	--	--	--	--
Halifax	0.0628	28	438	--	--	14.5	231
Hanover	0.0660	62	932	--	--	13.5	204
Henrico	0.0666	50 ^{cc}	751	--	--	24.5 ^{cp}	368
Henry	0.0630	30 ^{sc}	477	--	--	14	222
Isle of Wight	0.0643	69	1,073	--	--	--	--
James City	0.0658	63.5 ^{ec}	966	--	--	--	--
King George	0.0632	63.5 ^{ec}	1,005	--	--	--	--
King William	0.0657	66	1,005	--	--	--	--
Lancaster	0.0627	63.5 ^{ec}	1,012	--	--	--	--
Loudoun	0.0693	45	643	--	--	23	332
Louisa	0.0647	27	409	--	--	22.5	348
Madison	0.0644	54	831	--	--	22	342
Middlesex	0.0623	63.5 ^{ec}	1,020	--	--	--	--
Montgomery	0.0657	38	578	--	--	22	335
Nelson	0.0645	36	550	--	--	10	155
New Kent	0.0657	63.5 ^{ec}	967	--	--	--	--
Northampton	0.0644	83	1,288	145	2,250	--	--
Northumberland	0.0622	75	1,207	--	--	--	--
Nottoway	0.0625	30 ^{sc}	480	--	--	17	272
Orange	0.0654	44	665	--	--	24.5 ^{cp}	375
Page	0.0642	34	530	--	--	21	327
Pittsylvania	0.0636	32	504	--	--	18	283
Powhatan	0.0664	50 ^{cc}	753	--	--	24.5 ^{cp}	369
Prince Edward	0.0626	26	415	--	--	20.5	327
Prince George	0.0661	48	727	--	--	--	--
Prince William	0.0680	30	441	--	--	22	323

SLEAC estimates apply to Tax Year 2018

Jurisdictions Counties ²	Capitalization Rate TY2018 ³	----- Cropland -----		Irrigated cropland		----- Pastureland -----	
		Rental Rate \$/acre ⁴	Value \$/acre ⁵	Rental Rate \$/acre ⁴	Value \$/acre ⁵	Rental Rate \$/acre ⁴	Value \$/acre ⁵
Pulaski	0.0638	26 ^{swc}	407	--	--	20	313
Rappahannock	0.0646	32 ^{nc}	495	--	--	30 ^{pp}	464
Richmond	0.0636	75	1,178	--	--	--	--
Roanoke	0.0685	26.5 ^{wc}	387	--	--	20.5 ^{wp}	299
Rockbridge	0.0643	36	560	--	--	19.5	303
Rockingham	0.0638	85	1,331	--	--	30 ^{pp}	470
Russell	0.0635	32	504	--	--	17	268
Shenandoah	0.0632	44	696	--	--	26	411
Smyth	0.0641	52	811	--	--	20 ^{swp}	312
Southampton	0.0652	80	1,228	--	--	--	--
Spotsylvania	0.0654	50 ^{cc}	765	--	--	16	245
Stafford	0.0671	32 ^{nc}	477	--	--	30 ^{pp}	447
Suffolk	0.0678	77	1,136	--	--	--	--
Tazewell	0.0638	38	588	--	--	23.5	368
Virginia Beach	0.0667	74	1,102	--	--	--	--
Warren	0.0638	23	361	--	--	14	220
Washington	0.0637	37	573	--	--	20 ^{swp}	314
Westmoreland	0.0626	72	1,150	--	--	--	--
Wise	0.0634	26 ^{swc}	410	--	--	20 ^{swp}	316
Wythe	0.0625	36	576	--	--	25	400
York	0.0653	63.5 ^{ec}	973	--	--	--	--
VA Average Rental Rates \$/Acre		55		105		20	

² Only jurisdictions adopting use-value legislation are listed
³Capitalization 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 Department of Taxation)).
⁴National Agricultural Statistics Service (NASS) County-Level Cash Rent Data <http://quickstats.nass.usda.gov/>. Accessed 9/20/2016.
⁵Values \$/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	50	43	72	86.5	24.5	18
Eastern	63.5	73	112	127	--	--
Northern	32	50	115	115	30	22.5
Southeastern	--	64.5	78.5	85	--	--
Southern	30	33.5	67.5	67.5	--	17.5
Southwestern	26	37	115	115	20	21
Western	26.5	40	--	82.5	20.5	18.5

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