

## **Estimated Cropland and Pastureland Use Values using the Capitalized Cash Rental Rate Method – Tax Year 2021**

USDA National Agricultural Statistical Service (NASS) released the fourth 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-values<sup>1</sup> 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 2014: 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 2019** 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 a county-specific value is published. For example, in Table 1 the specific rental rate for cropland in Accomack is \$86.50 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 pastureland in Accomack is \$38.50 per acre, the combined county value for Eastern District counties. 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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<sup>1</sup>Capitalized cash rental rate values are calculated for all jurisdictions regardless of their use value assessment status.

**Table 1:** 2019 cropland and pastureland values based on NASS<sup>1</sup> capitalized rental rates (see end of table for footnotes)

Jurisdictions Counties	Capitalization Rate TY2021 <sup>2</sup>	----- Cropland -----		Irrigated cropland		----- Pastureland -----	
		Rental Rate \$/acre <sup>1</sup>	Value \$/acre <sup>3</sup>	Rental Rate \$/acre <sup>1</sup>	Value \$/acre <sup>3</sup>	Rental Rate \$/acre <sup>1</sup>	Value \$/acre <sup>3</sup>
Accomack	0.0589	86.5	1,470	90	1,529	38.5 <sup>ep</sup>	654
Albemarle	0.0610	20	328	--	--	17.5	287
Alleghany	0.0599	28 <sup>wc</sup>	467	--	--	13 <sup>wp</sup>	217
Amelia	0.0576	39.5	686	--	--	26.5	460
Amherst	0.0590	32	543	--	--	16.5	280
Appomattox	0.0595	30	504	--	--	19.5	328
Augusta	0.0587	67	1,141	--	--	28	477
Bath	0.0585	26.5	453	--	--	9.5	162
Bedford	0.0584	21.5	368	--	--	17.5	300
Bland	0.0594	39	657	--	--	18.5	312
Botetourt	0.0606	36.5	602	--	--	19	313
Campbell	0.0583	23	394	--	--	14.5	249
Caroline	0.0608	58	953	--	--	29	477
Carroll	0.0600	32	534	--	--	29	484
Chesapeake	0.0633	83	1,311	--	--	22 <sup>sep</sup>	348
Chesterfield	0.0624	46.5 <sup>cc</sup>	745	--	--	22.5 <sup>cp</sup>	361
Clarke	0.0601	34	566	--	--	21	350
Culpeper	0.0600	46	767	--	--	22	367
Cumberland	0.0606	28.5	471	--	--	22.5 <sup>cp</sup>	372
Dinwiddie	0.0610	49.5	811	--	--	22 <sup>sep</sup>	360
Essex	0.0618	80	1,295	90	1,457	38.5 <sup>ep</sup>	623
Fairfax	0.0634	41 <sup>nc</sup>	647	--	--	23.5 <sup>np</sup>	371
Fauquier	0.0622	56	901	--	--	17.5	281
Floyd	0.0587	30	511	--	--	24	409
Fluvanna	0.0618	46.5 <sup>cc</sup>	753	--	--	15	243
Franklin	0.0587	39	664	--	--	16.5	281
Frederick	0.0586	31	529	--	--	16	273
Giles	0.0592	29	490	--	--	12	203
Gloucester	0.0601	66.5 <sup>ec</sup>	1,106	--	--	38.5 <sup>ep</sup>	640

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Goochland	0.0585	46.5 <sup>cc</sup>	795	--	--	22	376
Greene	0.0606	46.5 <sup>cc</sup>	767	--	--	22.5 <sup>cp</sup>	371
Greensville	0.0595	62.5	1,051	--	--	22 <sup>sep</sup>	370
Halifax	0.0582	30	515	--	--	16	275
Hanover	0.0608	55.5	912	--	--	17.5	288
Henrico	0.0614	46.5 <sup>cc</sup>	757	--	--	22.5 <sup>cp</sup>	366
Henry	0.0583	21	360	--	--	11	189
Isle of Wight	0.0610	69.5	1,139	--	--	22 <sup>sep</sup>	361
James City	0.0611	66.5 <sup>ec</sup>	1,088	--	--	38.5 <sup>ep</sup>	630
King George	0.0591	66.5 <sup>ec</sup>	1,125	--	--	38.5 <sup>ep</sup>	651
King William	0.0610	72	1,180	--	--	38.5 <sup>ep</sup>	631
Lancaster	0.0588	66.5 <sup>ec</sup>	1,131	--	--	38.5 <sup>ep</sup>	655
Loudoun	0.0640	39	609	--	--	25	391
Louisa	0.0602	35.5	590	--	--	20.5	341
Madison	0.0605	47.5	786	--	--	27.5	455
Middlesex	0.0588	66.5 <sup>ec</sup>	1,131	--	--	38.5 <sup>ep</sup>	655
Montgomery	0.0617	31.5	510	--	--	21.5	348
Nelson	0.0607	46.5 <sup>cc</sup>	766	--	--	11	181
New Kent	0.0614	66.5 <sup>ec</sup>	1,083	--	--	38.5 <sup>ep</sup>	627
Northampton	0.0610	80	1,311	125	2,048	38.5 <sup>ep</sup>	631
Northumberland	0.0584	79	1,352	--	--	38.5 <sup>ep</sup>	659
Nottoway	0.0578	31	536	--	--	13.5	234
Orange	0.0608	50	822	--	--	29.5	485
Page	0.0603	37	614	--	--	20	332
Pittsylvania	0.0593	32	539	50	843	18.5	312
Powhatan	0.0617	38	616	--	--	15	243
Prince Edward	0.0580	26.5	457	--	--	16	276
Prince George	0.0614	71.5 <sup>sec</sup>	1,164	--	--	22 <sup>sep</sup>	358
Prince William	0.0635	41 <sup>nc</sup>	645	--	--	23.5 <sup>np</sup>	370
Pulaski	0.0596	30	503	--	--	22	369
Rappahannock	0.0605	16	265	--	--	14	231

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Richmond	0.0602	79	1,312	--	--	38.5 <sup>ep</sup>	639
Roanoke	0.0637	28 <sup>wc</sup>	440	--	--	13 <sup>wp</sup>	204
Rockbridge	0.0603	28 <sup>wc</sup>	464	--	--	18.5	307
Rockingham	0.0597	94	1,575	175	2,932	37	620
Russell	0.0591	39	659	--	--	18.5	313
Shenandoah	0.0591	46.5	787	--	--	26	440
Smyth	0.0599	41	684	--	--	28.5	476
Southampton	0.0612	79.5	1,299	--	--	22 <sup>sep</sup>	359
Spotsylvania	0.0607	42.5	700	--	--	15.5	255
Stafford	0.0623	41 <sup>nc</sup>	659	--	--	23.5 <sup>np</sup>	377
Suffolk	0.0636	79	1,243	--	--	22 <sup>sep</sup>	346
Tazewell	0.0591	37	626	--	--	22.5	381
Virginia Beach	0.0621	71.5 <sup>sec</sup>	1,151	--	--	22 <sup>sep</sup>	354
Warren	0.0591	33.5	566	--	--	17	287
Washington	0.0592	37	625	--	--	19 <sup>swp</sup>	321
Westmoreland	0.0587	74	1,262	--	--	38.5 <sup>ep</sup>	656
Wise	0.0590	36 <sup>swc</sup>	611	--	--	19 <sup>swp</sup>	322
Wythe	0.0580	45	776	--	--	32.5	560
York	0.0609	66.5 <sup>ec</sup>	1,092	--	--	38.5 <sup>ep</sup>	632
<b>VA Average Rental Rates \$/Acre</b>		<b>57</b>		<b>100</b>		<b>21</b>	

<sup>1</sup>National Agricultural Statistics Service (NASS) County-Level Cash Rent Data <http://quickstats.nass.usda.gov/>. Accessed 7/02/2020.

<sup>2</sup>Capitalization Rate (without risk) is a sum of the average interest rate component (interest rate component is 7-year state average (2 year lag) (from AgFirst)) and average property tax rate (property tax component is 7-year jurisdiction average (3-year lag) (from Department of Taxation)).

<sup>3</sup>Values \$/acre = Land Rental Rate \$/ac ÷ Capitalization Rate.

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<sup>cc</sup> Central District Cropland				<sup>cp</sup> Central District Pasture			
<sup>ec</sup> Eastern District Cropland				<sup>ep</sup> Eastern District Pasture			
<sup>nc</sup> Northern District Cropland				<sup>np</sup> Northern District Pasture			
<sup>sec</sup> Southeastern District Cropland				<sup>sep</sup> Southeastern District Pasture			
<sup>sc</sup> Southern District Cropland				<sup>sp</sup> Southern District Pasture			
<sup>swc</sup> Southwestern District Cropland				<sup>swp</sup> Southwestern District Pasture			
<sup>wc</sup> Western District Cropland				<sup>wpp</sup> 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	46.5	42	--	--	22.5	20
Eastern	66.5	76.5	100	107	38.5	38.5
Northern	41	57	101	136	23.5	23.5
Southeastern	71.5	65	85.5	86	22	19.5
Southern	--	34.5	76.5	70	--	16
Southwestern	36	37	--	--	19	22.5
Western	28	45	175	175	13	19

**Table 2:** Jurisdictions within NASS crop reporting districts

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