

Table 1. Comparison of TY2022 Values to TY2021 Values				
	TY2021 Use Values	TY2022 Use Values	\$	%
	Type III Land w/out Risk	Type III Land w/out Risk	Change	Change
Counties:				
Accomack	2,200	2,320	120	5%
Albemarle	120	170	50	42%
Alleghany	40	80	40	100%
Amelia	650	700	50	8%
Amherst	110	160	50	45%
Appomattox	170	220	50	29%
Augusta	570	670	100	18%
Bath	20	40	20	100%
Bedford	130	180	50	38%
Bland	250	350	100	40%
Botetourt	170	220	50	29%
Campbell	180	220	40	22%
Caroline	1,360	1,460	100	7%
Carroll	560	680	120	21%
Chesterfield <Amelia	600	640	40	7%
Clarke	210	250	40	19%
Culpeper	790	830	40	5%
Cumberland	250	300	50	20%
Dinwiddie, Coastal <Sussex	1,100	1,150	50	5%
Dinwiddie, Piedmont <Brunswick	1,070	1,070	0	0%
Essex	1,460	1,520	60	4%
Fairfax <Loudoun	430	460	30	7%
Fauquier	450	480	30	7%
Floyd	160	250	90	56%
Fluvanna	10	30	20	200%
Franklin	430	460	30	7%
Frederick	240	290	50	21%
Giles	220	300	80	36%
Gloucester	1,460	1,460	0	0%
Goochland	400	480	80	20%
Greene	80	110	30	38%
Greensville	1,550	1,640	90	6%
Halifax	300	370	70	23%
Hanover, Coastal <King William	1,370	1,450	80	6%
Hanover, Piedmont <Louisa	1,280	1,340	60	5%
Henrico, Coastal <King William	1,650	1,640	-10	-1%
Henrico, Piedmont <Louisa	1,450	1,410	-40	-3%
Henry	190	210	20	11%
Isle Of Wight	1,760	1,660	-100	-6%
James City <New Kent	1,370	1,400	30	2%
King George	860	890	30	3%
King William	1,590	1,650	60	4%
Lancaster	1,380	1,370	-10	-1%
Loudoun	420	450	30	7%
Louisa	420	460	40	10%
Madison	650	700	50	8%
Middlesex	1,450	1,440	-10	-1%
Montgomery	180	250	70	39%
Nelson	50	80	30	60%
New Kent	1,370	1,400	30	2%
Northampton	2,790	2,980	190	7%
Northumberland	1,610	1,660	50	3%
Nottoway	330	390	60	18%
Orange	600	660	60	10%

Table 1. Comparison of TY2022 Values to TY2021 Values				
	TY2021 Use Values	TY2022 Use Values	\$ Change	% Change
cont.	Type III Land w/out Risk	Type III Land w/out Risk		
Page	210	250	40	19%
Pittsylvania	440	380	-60	-14%
Powhatan	440	510	70	16%
Prince Edward	280	340	60	21%
Prince George	1,040	1,030	-10	-1%
Prince William	640	690	50	8%
Pulaski	210	300	90	43%
Rappahannock	0	20	20	--
Richmond	1,460	1,610	150	10%
Roanoke	70	110	40	57%
Rockbridge	230	320	90	39%
Rockingham	960	980	20	2%
Russell	140	260	120	86%
Shenandoah	580	630	50	9%
Smyth	340	430	90	26%
Southampton	1,600	1,600	0	0%
Spotsylvania	410	450	40	10%
Stafford	910	960	50	5%
Tazewell	230	350	120	52%
Warren	90	120	30	33%
Washington	300	380	80	27%
Westmoreland	1,920	2,030	110	6%
Wise	100	220	120	120%
Wythe	230	290	60	26%
York <New Kent	1,380	1,410	30	2%
Cities:				
Buena Vista <Rockbridge	210	290	80	38%
Chesapeake	2,060	2,130	70	3%
Danville <Pittsylvania	430	370	-60	-14%
Franklin City <Isle of Wight	1,710	1,610	-100	-6%
Fredericksburg <Spotsylvania	410	450	40	10%
Hampton <New Kent	1,280	1,300	20	2%
Harrisonburg <Rockingham	960	980	20	2%
Lynchburg <Bedford	120	170	50	42%
Newport News <New Kent	1,290	1,320	30	2%
Petersburg <Prince George	950	940	-10	-1%
Radford <Pulaski	210	290	80	38%
Roanoke City <Roanoke	70	110	40	57%
Staunton <Augusta	540	630	90	17%
Suffolk	1,330	1,340	10	1%
Virginia Beach	1,680	1,750	70	4%
Waynesboro <Augusta	550	640	90	16%
Winchester <Frederick	230	270	40	17%
AVERAGES	\$716	\$764	\$48	

¹ For TY2015 James City uses New Kent as a transfer-in county because of 2012 Ag Census non-disclosure requirements.

Also, York, Hampton City, and Newport News City use New Kent as their transfer-in county.

<: Transfer-in county; for explanation see end of document.

TY2022 Data Comparison Summary

Increase % Change (Top Ones)		Increase \$ Change (Top Ones)	
1 Fluvanna	200%	Northampton	\$190
2 Wise	120%	Richmond	\$150
3 Alleghany	100%	Accomack	\$120
4 Bath	100%	Carroll	\$120
5 Russell	86%	Tazewell	\$120
6 Nelson	60%	Russell	\$120
7 Roanoke	57%	Wise	\$120
8 Roanoke City <Roanoke	57%	Westmoreland	\$110
9 Floyd	56%	Caroline	\$100
10 Tazewell	52%	Augusta	\$100
11 Amherst	45%	Bland	\$100
12 Pulaski	43%	Greensville	\$90
13 Albemarle	42%	Waynesboro <Augusta	\$90
14 Lynchburg <Bedford	42%	Staunton <Augusta	\$90
15 Bland	40%	Smyth	\$90
16 Rockbridge	39%	Rockbridge	\$90
17 Montgomery	39%	Pulaski	\$90
18 Bedford	38%	Floyd	\$90

Decrease % Change		Decrease \$ Change	
1 Danville <Pittsylvania	-14%	Franklin City <Isle of Wight	-\$100
2 Pittsylvania	-14%	Isle of Wight	-\$100
3 Franklin City <Isle of Wight	-6%	Danville <Pittsylvania	-\$60
4 Isle Of Wight	-6%	Pittsylvania	-\$60
5 Henrico, Piedmont <Louisa	-3%	Henrico, Piedmont <Louisa	-\$40
6 Petersburg <Prince George	-1%	Petersburg <Prince George	-\$10
7 Prince George	-1%	Prince George	-\$10
8 Lancaster	-1%	Lancaster	-\$10
9 Middlesex	-1%	Middlesex	-\$10
10 Henrico, Coastal <King William	-1%	Henrico, Coastal <King William	-\$10

Overall

Overall, the average change was **\$48 increase** per acre
57% of localities had \$ changes of \$50 or less per acre
14% of localities had \$ changes of \$100 or more per acre
3% of localities had no change

Gloucester Southampton
Dinwiddie, Piedmont <Brunswick

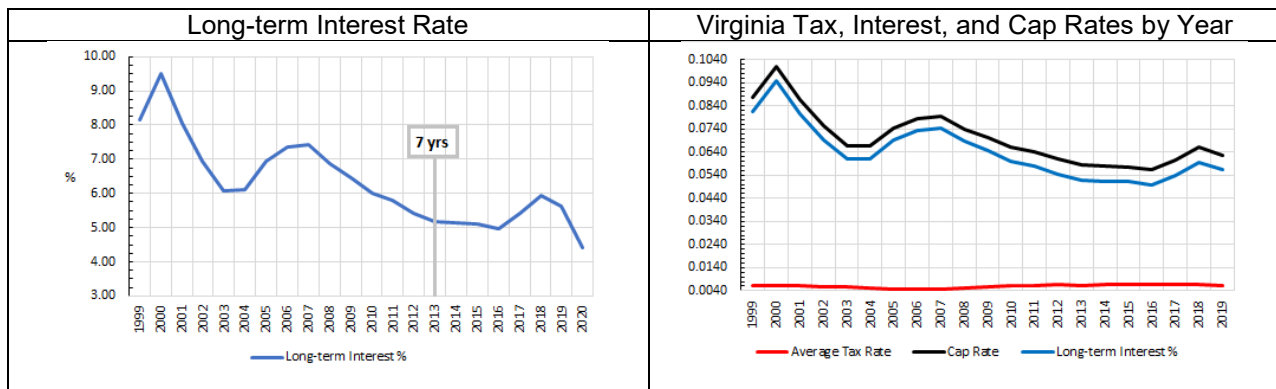
3 localities had rates of \leq \$40: Bath, Fluvanna, & Rappahanock.

**Table 2. Overview: TY2022 Use-Value Assessment Program Values
Income Approach**

Type III w/out risk Land Estimate		Number of counties/cities that increased or decreased
Average \$ Decrease	-\$41	10
Average \$ Increase	\$60	83
No change	\$0	3
Average overall change in value from 2021 to 2022		\$48

General Comments

- The capitalization rate has a powerful impact on the estimated use-value of land. The interest rate component of the capitalization rate is a weighted average of the long-term interest rates charged by agricultural credit associations (ACA) serving Virginia. The graph below illustrates a downward trend in interest rates, with a modest increase from 2017 to 2019 followed by a historic low in 2020. The interest rate component is larger relative to the property tax component (local tax rate) and drives the capitalization rate. As a general rule, the lower the capitalization rate used, the higher the use-value assessment of the land. For example, assuming a county's composite farm net returns remained at \$50 for the new year; and, its capitalization rates decreased from 0.05% to 0.04%. Its estimates would increase from $\$50/0.05 = \1000 to $\$50/0.04 = \$1,250$. Seven-year averaging mitigates the effect of a significant change in the interest rate component (i.e. 2020). Even so, the low interest rates contributed to a general increase in the income approach use-values for TY2022.



Source: AgFirst (Interest Rate) & Virginia Department of Taxation (Tax Rate)

- Federal aid in the form of Market Facilitation Program (MFP) and Coronavirus Food Assistance Program (CFAP) payments provided direct support to agricultural producers in 2018, 2019, and 2020. In general, we have not observed the federal payments during this period significantly impact estimated agricultural net returns in Virginia with the implementation of use-value assessment.
- Rappahannock, Fluvanna and Bath counties have land use-values under \$50 for Type III Land for TY2022. Possible ways to address zero or low values include using the rental rate approach.
- The National Agricultural Statistics Service (NASS) discontinued county-level estimates for the following composite farm crops: hay (alfalfa and other), potatoes, and tobacco. These changes were effective beginning with the 2019 crop year. Risk Management Agency (RMA) county-level data, higher levels of aggregation (such as NASS district or state-level estimates), and solicited opinions of agricultural professionals were used for the select discontinued crops.

Selected Counties/Cities: Explanatory Notes (Increases and Decreases):

Increases (Type III w/out risk): Generally, increases were due to increased net returns in pasture and soybean enterprise budgets and federal program payments. Statewide, yield and price increased significantly for soybeans, with a yield of 42 bushels an acre (8 bushel increase from the prior year) and price increased to \$10.50 per bushel (\$1.70 increase from the prior year) for 2020. Tax year 2020-2022 pasture budgets include updated data reflecting common production practices, resulting in lower variable and fixed costs most associated with fertilization and establishment.

All Counties with \$ Increases of \$90 or more (Type III w/out risk)			
	% Change	\$ Increase	Crops listed are in order of contribution
Accomack	5%	120	Increased profits in soybeans
Augusta	18%	100	Increased profits in pasture and alfalfa
Bland	40%	100	Increased profits in pasture
Caroline	7%	100	Increased profits in soybeans
Carroll	21%	120	Increased profits in pasture
Floyd	56%	90	Increased profits in pasture and alfalfa
Greensville	6%	90	Increased profits in soybeans and peanuts
Northampton	7%	190	Increased profits in soybeans and wheat
Pulaski	43%	90	Increased profits in pasture
Richmond	10%	150	Increased profits in soybeans
Rockbridge	39%	90	Increased profits in pasture and alfalfa
Russell	86%	120	Increased profits in pasture
Smyth	26%	90	Increased profits in pasture
Staunton <Augusta	17%	90	Increased profits in pasture and alfalfa
Tazewell	52%	120	Increased profits in pasture
Waynesboro <Augusta	16%	90	Increased profits in pasture and alfalfa
Westmoreland	6%	110	Increased profits in soybeans
Wise	120%	120	Increased profits in pasture

Decreases (Type III w/out risk): Generally, decreases in estimates were due to decreases in profit from corn. Decreases in Pittsylvania and Isle of Wight and their receiving transfer-in jurisdictions were more specific due largely to yields for flue-cured tobacco and cotton being significantly lower.

All Counties with \$ Decreases of \$10 or more (Type III w/out risk)			
	% Change	\$ Decrease	Crops listed are in order of contribution
Danville <Pittsylvania	-14%	-60	Decreased profits in tobacco
Franklin City <Isle of Wight	-6%	-100	Decreased profits in cotton
Henrico, Coastal <King William	-1%	-10	Decreased profits in corn and wheat
Henrico, Piedmont <Louisa	-3%	-40	Decreased profits in corn and wheat
Isle of Wight	-6%	-100	Decreased profits in cotton
Lancaster	-1%	-10	Decreased profits in corn
Middlesex	-1%	-10	Decreased profits in corn
Petersburg <Prince George	-1%	-10	Decreased profits in corn
Pittsylvania	-14%	-60	Decreased profits in tobacco
Prince George	-1%	-10	Decreased profits in corn

Transfers (<): The data used for estimating the use value of agricultural land are not published for all towns and for only a few of Virginia's independent cities. When data does not exist for a town or city participating in the use value taxation program, the estimated use values from an adjacent or surrounding county are used. This process is referred to as transferring-in. Transferring-in is also used for jurisdictions with large areas of land lying in more than one physiographic region, for example coastal plain and piedmont. When a transfer-in jurisdiction has been used, it appears after an arrow (<).