

**Atascosa Central Appraisal District**  
**Agricultural Valuation (1-d-1 Open Space) Information Sheet**

***What is Agricultural Valuation?***

Agricultural Valuation is a special-use valuation that is devoted to property that is primarily used for the agricultural production of food or fiber. Agricultural or productivity value is based on the land's capacity to produce crops or livestock and not on the value of the real estate market. Although this lower value reduces the taxable value of the property, a "rollback" of the tax savings could be placed on the property if the land use changes to a non-qualifying use. The rollback recaptures, with interest, the taxes saved for three (3) years preceding the change in use. Because of the penalty, this valuation is of questionable benefit if your usage is short term or if you have plans on developing the property within the next four (4) years.

***What are the Qualifications for Agricultural Valuation?***

In order to qualify, you must meet the following criteria:

1. The land must currently be devoted to an agricultural use.
2. There must be a history of agricultural usage. Agricultural production must be shown for five (5) of the preceding seven (7) years. For example, to qualify for 2023, five years of agricultural usage must be established for the years 2016 through 2023. Owner records, lease agreements, income tax records, or statements from adjoining landowners may be helpful in establishing the history of use.
3. The primary use of the land must be agricultural. If the land is used for more than one purpose, the most important or primary use must be agricultural. Generally, small acreage tracts with a residence will be considered primarily residential.
4. The agricultural usage of the land must meet the local degree of intensity standards. These standards define the required level of use, and management practices that are typical for the area.

***Principle Usage***

The principle usage of a tract must be agricultural. The principle use of any tract 10 acres or less with a residence will generally be considered residential. Smaller acreage tracts may qualify if it is part of a larger operation and used at a level which meets the Degree of Intensity Standards established by the Atascosa Central Appraisal District.

***How Do I Apply?***

An application form may be obtained at the Atascosa Central Appraisal District office or on our website at [www.atascosacad.com](http://www.atascosacad.com). The application must be completed and returned before May 1<sup>st</sup>. A late application may be accepted prior to the Certification of the Appraisal Roll (usually on or before July 25<sup>th</sup>), however, there is a 10% penalty for late applications. If two appraisal districts appraise your property, you must file with each respective office.

***If I Purchase Property Already Receiving Ag, Do I Have to Reapply?***

Yes. When ownership changes, the new owner must submit a current application if the owner feels that the property qualifies. The fact that agricultural valuation was granted in the previous year is not a guarantee that the application will be approved. Changes in laws, minimum standards as determined by the Agricultural Advisory Board, and the properties actual use may affect the determination of your application.

***If My Application is Approved, Do I Need to Reapply Each Year?***

No. A new application is necessary only if there has been a change from what was reported on your initial application or if a current application is requested by the Chief Appraiser.

***What Are the Minimum Requirements to Qualify?***

The Degree of Intensity Standards are determined by the Agricultural Advisory Board. The minimum number of animal units required to qualify a property is three (3). The number of animal units must be supported by the forage available on the property without destroying the forage resources. Different types of property have different minimum stocking rates.

The suggested stocking rates are:

- Improved Pasture Land is 10 acres per animal unit.
- Native Pasture Land is 20 acres per animal unit.
- Brush Land is 30 acres per animal unit.

For Orchards, the number of trees per acre are:

- 1-15 years old            17
- 15-40 years old        8+
- 40+ years old         4+

Organic Farming standards are:

- 1 acre minimum (All Produce Combined).
- Organic Gardening- State Certified

Small Acreage Production of Grain Sorghum, Corn, and Peanuts:

- Typically, a minimum of 10 acres
- Land must be free of brush
- Shred and/or disk to destroy stalks and form a mulch
- Chisel and/or plow three times (conservation till is acceptable with proof of chemicals used)
- Apply fertilizer according to soil test or typical for area
- Apply herbicides and pesticide as needed

- Plant
- Cultivate
- Must try to harvest average county yield

#### Small Acreage Production of Wheat:

- Typically, a minimum of 10 acres
- Land preparation-chisel or plow. Disk as needed to keep land clean (Conservation till is acceptable with proof of chemicals used)
- If Wheat is planted for grain- Plant 50-100 lbs. of seed per acre
- If Wheat is planted for forage- Plant 80-120 lbs. of seed per acre
- Fertilize according to soil test or typical for area
- Apply herbicide and pesticides as needed
- If harvested- must harvest average county yield
- If grazed- must support 1 animal unit of 1 ½ acres

#### Beekeeping standards are:

Number of Acres	Number of Hives
• 5	6
• 7.5	7
• 10	8
• 12.5	9
• 15	10
• 17.5	11
• 20	12

#### Other factors that are considered are the following management practices:

- Adequate Fencing- suitable to contain livestock; securable gate.
- Fertilized and weed controlled (mechanical or chemical) prudent for geographic location, soil type, weather conditions, variety of grass/plant being managed.
- Economic return generated- sale of livestock, fruit, nuts, vegetables, or hay produced.
- Land may be left idle for the following reasons:
  - Normal crop rotation as required by participation in a government program.
  - Fence repair
  - Water replacement or repair
  - Soil shaping, etc.
  - Declared Disaster by the Governor of the State of Texas for drought recovery.

### ***Leased Land***

When land is leased for an agricultural use, lease agreements reflecting fair market price or some other form of generally accepted compensation may be helpful in establishing qualification. Some lease terms are exceptions to the norm and each application will be reviewed on an individual basis.

### ***Animal Unit Equivalent***

Cow or Cow with calf	1.00 A.U.
Bull-Mature	1.25 A.U.
Calf- Weaned to 1 year (Stockers)	0.60 A.U.
Steer- 1 year	0.70 A.U.
Steer- 2 year	0.90 A.U.
Horse- Mature	1.25 A.U.
5 Ewes-with or without lambs	1.00 A.U.
5 Rams	1.00 A.U.
8 Lambs to 1 year	1.00 A.U.
6 Nannies with kids	1.00 A.U.
6 Billies	1.00 A.U.
10 Kids- Weaned and yearling	1.00 A.U.

Source- Texas Supplement, National Range Handbook, U.S.D.A., Soil Conservation Service

## **Rollback Tax Information Sheet**

### **What is a “Rollback” Tax?**

Texas law imposes a “rollback” tax when the owner of the land stops using it for agricultural purpose. The rollback recaptures the taxes that would have been paid had the property been taxed at its market value for each year covered by the rollback.

### **What Qualifies as a Change of Use?**

A change of use is a physical change to the property such as subdividing or building non-agricultural buildings on the property. The property owner must stop using the land for agricultural use.

### **What if I Build a Home on My Property, Will This Trigger a Rollback?**

A property owner may divest part of the tract for use as his own residence homestead without triggering a rollback, as long as the remaining acreage continues to qualify for the special use agricultural valuation. The owner avoids the rollback only as long as they continue to use the home as their residence. In effect, the owner must occupy the home for five (5) years to prevent the rollback of taxes.

### **Who Determines a Change of Use?**

The Chief Appraiser makes the determination regarding the Change of Use and must send the owner a written Notice of Change of Use Determination.

### **Is the Change of Use Determination Appealable?**

A property owner may appeal any action taken by the Chief Appraiser regarding their property within thirty (30) days of the notification of that action to the Appraisal Review Board. If the property owner continues to use the land but does not maintain the degree of intensity typical for the area, the land may lose its eligibility for Agricultural Valuation (1-d-1) but may not be subject to a rollback.

### **How is a Rollback Calculated?**

The rollback tax is the difference between the taxes paid under the Special Use Valuation and the total taxes that would have been paid on the market value for each of the three (3) years preceding the use change. A seven percent (7%) annual interest is calculated for each year's taxes from the date those taxes would have become due. Special Use Valuation is removed from the year in which the change took place, and the property is valued at its market value.

### **What if I Didn't Own the Property During All or Part of the Period Being “Rolled Back”?**

The “rollback” tax, in effect, is a deferred tax which follows the property as it changes hands. The owner of the property at the time the tax is assessed is responsible for these taxes. You may want to reference your purchase contract or closing papers to see if any special provisions were

agreed to with the seller regarding rollback. Failure to pay these taxes could result in a tax lien against the property.

### **What Should I Do If I Purchase Land That Has Received the Special Use Valuation?**

After the purchase, you should file a Statement of Intended Use with the Chief Appraiser. If you wish, you may waive the 30-day protest period in order to expedite procession the Change of Use Determination. If you indicate that you will continue to use the property for agricultural use and you feel the property may still qualify for the Special Use Valuation, you must file an

Special Use 1-d-1 Agricultural Use Application between January 1<sup>st</sup> and April 30<sup>th</sup>.

**\*Keep in mind that the Atascosa Central Appraisal District does not bill or collect these taxes. They are billed and collected by your local taxing jurisdictions.**

For additional information, please feel free to contact the Atascosa Central Appraisal District at 830-569-8326 or visit our office at 1020 Bensdale Rd, Suite A, Pleasanton, Texas, 78064.