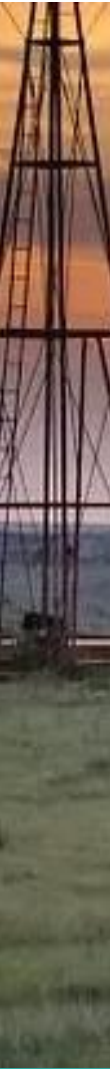


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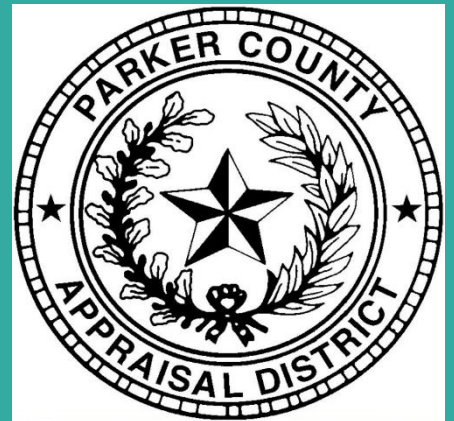
# **PARKER COUNTY APPRAISAL DISTRICT**

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**PCAD  
Agriculture Dept  
Updated 9/27/2024**



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# Parker County Appraisal District

## Agricultural Valuation

### Introduction

The valuation of agricultural or open space land utilizes potential gross income and expenses capitalized by a rate provided annually by the Property Tax Division of the State of Texas Comptroller's office. Each year income and expense data are gathered from local sources related to the agriculture industry and from the three-member Agricultural Appraisal Advisory Board. This board is composed of land owners involved in agriculture in Parker County. The valuation process uses an average of income and expense for a five-year period ending two years from the current year. The process takes into consideration the various land types as they relate to soil types and their ability to produce varying quantities of agricultural products or the number of acres required to graze animals. For example, land with better soil types would logically produce a greater quantity of an agriculture product or support a greater number of animals for grazing purposes than lesser quality soil types, therefore, the better soil types would result in a greater value than lesser quality soil types. This valuation process and subsequent appraised value is independent of market value for qualified land. The agricultural valuation process and field inspections are typically performed by staff other than field appraisers. Land qualified as open space or agricultural land is also eligible for wildlife management. This special use is appraised and receives the same value as if it were utilized for agricultural land.

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## Definitions, Standards, and Procedures

### ***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 support livestock and not on the market 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 the taxes saved for three (3) years preceding the change in use.

### ***What are the qualifications (Intensity Standards) 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 2024, five years of agricultural usage must be established for the years 2017 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.

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### ***What is Principal Usage for to receive agricultural valuation?***

The principle usage of a tract must be agricultural. The principle use of any tract less than five (5) acres with a residence will generally be considered residential. Smaller acreage tracts may qualify if it is a part of a larger operation and used at a level which meets the Degree of Intensity Standard of the Parker County Appraisal District.

### ***How do I apply?***

An application for 1-d-1 (Open-Space) Agricultural Use Appraisal form (50-129) may be obtained at the Parker County Appraisal District office or on our website at [www.parkercad.org](http://www.parkercad.org). The application must be completed and returned between January 1<sup>st</sup> and April 30<sup>th</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.

### ***What are the minimum requirements to qualify?***

#### ***Livestock***

Minimum acreage requirement (set by the Agricultural Advisory Board) for land serving as pasture for some type of livestock, for example, cattle, sheep, goats, horses, donkeys, alpacas, etc. (hogs and chickens do not qualify).

- Improved pasture land minimum is 5 acres for anything seeded or planted. For example, coastal, sudan, wheat or oats.
- Native pasture land minimum is 10 acres for anything not seeded or planted.

#### ***Orchards***

For orchards, 3 acres minimum, 20 trees per acre in a 40x40 grid pattern.

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### ***Beekeeping***

The acreage requirements for beekeeping is a minimum of five (5) acres and a maximum of twenty (20) acres. These requirements are set by the Texas Legislature. Beekeeping standards are:

<b>Number of Acres</b>	<b>Number of Hives</b>
<b>5</b>	<b>6</b>
<b>7.5</b>	<b>7</b>
<b>10</b>	<b>8</b>
<b>12.5</b>	<b>9</b>
<b>15</b>	<b>10</b>
<b>17.5</b>	<b>11</b>
<b>20</b>	<b>12</b>

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### **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.

### **Wildlife Management**

This is actively using the open space land in order to propagate a sustainable breeding, migrating or wintering population of indigenous wild animals or birds. The operator must practice a minimum of three (3) of the following approved practices:

- Habitat control
- Erosion control
- Predator control
- Providing supplemental supplies of water
- Providing supplemental supplies of food
- Providing shelters
- Making census counts to determine population

**The minimum acreage to qualify for Wildlife Management in Parker County is 20 acres.**

**An updated and current Wildlife Management plan must be filed every year between January 1st and April 30th. The plan must be submitted on the Texas Parks and Wildlife form TWPD885-W7000.**

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**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.
  
- **Land may be left idle for the following reasons:**
  - o Normal rotation
  - o Fence repair
  - o Water replacement or repair
  - o Declared disaster by the Governor of the State of Texas for drought recovery

***If I purchase or have a deed change on property already receiving an Agricultural Valuation, do I have to reapply?***

**Yes.** When ownership changes, or there a new deed filed on a property, 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 refile each year?***

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

***This application wants me to list the prior seven years agricultural uses. I just purchased the property and have no idea what the land was used for in the past. Do I just leave that part blank?***

By law, in order to qualify for the agricultural valuation, you must have a history. Is it your obligation to obtain that information so as to qualify.

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***Can I get the history of agricultural use from the Appraisal District?***

**No.** The Appraisal District will only have a record on the land when the original application was submitted. The Appraisal District will only know if the agricultural valuation was granted, they will not know the specific use or even if it would have qualified for that year. They may have been receiving the agricultural valuation in error, if the land was not being used.

***Are agricultural applications confidential?***

**Yes.** Once an agricultural application is filed is it not available for public inspection.

***What if the land was in agricultural use, but the prior owner did not apply for or receive the agricultural valuation?***

The Appraisal District looks at the actual land use, not the valuation. If the land was being used in a qualifying manner, then it would count toward the history of agricultural use.

***The appraiser came by and my fences were down and my cattle had been sold. What do I do if the Appraisal District asked me to reapply for agricultural valuation?***

You need to reapply for agricultural valuation to inform the Appraisal District if you are still engaged in agricultural activity.

***I purchased my property in February and filed my agricultural valuation application and it was granted. However, the following year I received a letter asking me to fill out the application again. Why?***

Since the property was purchased in February, you were not the legal owner on January 1<sup>st</sup> of that tax year. It is the following year that you are required to apply. If the previous owner was receiving the agricultural use valuation, you would have received the benefit for the remainder of the year.

***I filed my application for agricultural use but it is not listed on my tax bill. How do I prove I turned in my application?***

We recommend keeping a copy of your application. The Appraisal District can provide a copy with a dated stamp showing received if you request it upon submission.



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### ***What are the steps in approving or denying agricultural exemption?***

- 1) Application is received by the Appraiser District from the taxpayer.
- 2) The appraiser reviews the application.
  - a) Makes sure application is filled out completely and correctly.
  - b) Makes sure property has 5 years of agricultural history.
  - c) Makes sure the property meets the minimum acreage requirements set by the Agricultural Advisory Board
  - d) Checks aerial photography to verify livestock, hay orchards, etc.
  - e) Makes a site inspection if needed.
- 3) If exemption is granted, the taxpayer does NOT receive notification.
- 4) If exemption is denied, a denial letter is sent stating the reason for the denial along with a protest form.

### ***Do you have any other suggestions on filling out my application?***

**Yes, please do the following:**

- Read the entire application.
- Answer all questions to the best of your ability.
- Do not leave anything blank- incomplete applications will be sent back unapproved.
- File your application in a timely manner (April 30th deadline).
- Include any additional information the appraiser may need in order to grant the benefit.

**Note: An appraiser will be physically inspecting your property to see if is in agricultural use. If your land does not qualify for agricultural use, you will receive a notice or denial letter by mail.**

## Rates and Ratios

The ratios, rates, and guidelines are subject to periodic review by both the Chief Appraiser and the Agricultural Advisory Committee. Changes will be made as needed to comply with changes in the State Comptroller’s Manual and/or Texas Property Code.

NATIVE PASTURE 2023-24			A1
YEAR	GROSS INCOME	TAXES	NET TO LAND
2017	10.9	2.3	\$8.6
2018	10.9	2.3	\$8.6
2019	10.9	2.3	\$8.6
2020	10.9	1.62	\$9.28
2021	10.9	1.56	\$9.34
<b>TOTAL</b>			<b>44.42</b>
Final net to land $44.42/5 = 8.88$ 5 yr average			
Net to land/cap rate = productivity value			
$8.88/10.6\% = \$84$ per acre			

This category makes up approximately 71% of the land in AG production and is located throughout the county and is used for grazing cattle. After interviewing Parker County's AG Extension Agent Jay Kingston, the typical cash lease for 2019-20 is \$10.90 per acre and fences are typically maintained by the lessee.

**The 2020-21 cap rate for productivity valuation is 10% and was furnished by the Comptroller of Public Accounts in accordance with Section 23.53 of the Property Tax Code.**

NATIVE PASTURE 2023-24			A2
YEAR	GROSS INCOME	TAXES	NET TO LAND
2017	10.9	2.3	8.6
2018	10.9	2.3	8.6
2019	10.9	2.3	8.6
2020	10.9	1.62	9.28
2021	10.9	1.56	9.34
<b>TOTAL</b>			<b>44.42</b>
Final net to land $44.42/5 = 8.88$ 5 yr average			
Net to land/cap rate = productivity value			
$8.8/10.6\% = \$84$ per acre			

NATIVE PASTURE 2023-24			A3
YEAR	GROSS INCOME	TAXES	NET TO LAND
2017	8.72	2.08	6.64
2018	8.72	1.8	6.92
2019	8.72	1.8	6.92
2020	8.72	2.8	5.92
2021	8.72	2.67	6.05
<b>TOTAL</b>			<b>32.45</b>
Final net to land $32.45/5 = 6.50$ 5 yr average			
Net to land/cap rate = productivity value			
$6.50/10.6\% = \$61$ per acre			

NATIVE PASTURE 2023-24			A4
YEAR	GROSS INCOME	TAXES	NET TO LAND
2017	7.09	1.69	5.4
2018	7.09	1.5	5.59
2019	7.09	1.5	5.59
2020	7.09	1	6.09
2021	7.09	0.92	6.17
<b>TOTAL</b>			<b>28.84</b>
Final net to land 28.84/5 = 5.76 5 yr average			
Net to land/cap rate = productivity value			
5.76/10.6% = \$54 per acre			

NATIVE PASTURE 2023-24			A5
YEAR	GROSS INCOME	TAXES	NET TO LAND
2017	5.45	1.3	4.15
2018	5.45	1.2	4.25
2019	5.45	1.2	4.25
2020	5.45	0.8	4.65
2021	5.45	0.76	4.69
<b>TOTAL</b>			<b>21.99</b>
Final net to land 21.99/5 = 4.40 5 yr average			
Net to land/cap rate = productivity value			
4.40/10.6% = \$42 per acre			

IMPROVED PASTURE 2023-24			B1
YEAR	GROSS INCOME	TAXES	NET TO LAND
2017	18.92	4.02	14.9
2018	18.92	3.9	15.02
2019	18.92	3.9	15.02
2020	18.92	2.72	16.2
2021	18.92	2.66	16.26
<b>TOTAL</b>			<b>77.4</b>
Final net to land 77.40/5 = 15.48 5 yr average			
Net to land/cap rate = productivity value			
15.48/10.6% = \$146per acre			

This category makes up approximately 24% of the land in agricultural production and is located throughout the county, but mainly in the southwest part of the county. After interviewing Parker County's AG Extension Agent Jay Kingston, the typical cash lease for 2020-21 is \$18.92 an acre.

IMPROVED PASTURE 2023-24 <b>B2</b>			
YEAR	GROSS INCOME	TAXES	NET TO LAND
2017	18.92	4.02	14.9
2018	18.92	3.9	15.02
2019	18.92	3.9	15.02
2020	18.92	2.72	16.2
2021	18.92	2.66	16.26
<b>TOTAL</b>			<b>77.4</b>
Final net to land $77.4/5 = 15.48$ 5 yr average			
Net to land/cap rate = productivity value			
$15.48/10.6\% = \$146$ per acre			

IMPROVED PASTURE 2023-24 <b>B3</b>			
YEAR	GROSS INCOME	TAXES	NET TO LAND
2017	15.14	3.21	11.93
2018	15.14	3.1	12.04
2019	15.14	3.1	12.04
2020	15.14	2.3	12.84
2021	15.14	2.21	12.93
<b>TOTAL</b>			<b>61.78</b>
Final net to land $61.78/5 = 12.36$ 5 yr average			
Net to land/cap rate = productivity value			
$12.36/10.6\% = \$116$ per acre			

IMPROVED PASTURE 2023-24 <b>B4</b>			
YEAR	GROSS INCOME	TAXES	NET TO LAND
2017	15.14	3.21	11.93
2018	15.14	3.1	12.04
2019	15.14	3.1	12.04
2020	15.14	2.16	12.98
2021	15.14	1.99	13.15
<b>TOTAL</b>			<b>62.14</b>
Final net to land $62.14/5 = 12.42$ 5 yr average			
Net to land/cap rate = productivity value			
$12.42/10.6\% = \$117$ per acre			

IMPROVED PASTURE 2023-24 <b>B5</b>			
YEAR	GROSS INCOME	TAXES	NET TO LAND
2017	15.14	3.21	11.93
2018	15.14	3.1	12.04
2019	15.14	3.1	12.04
2020	15.14	2.46	12.68
2021	15.14	2.3	12.84
<b>TOTAL</b>			<b>61.53</b>
Final net to land $61.53/5 = 12.30$ 5 yr average			
Net to land/cap rate = productivity value			
$12.30/10.6\% = \$116$ per acre			

DRY CROPLAND 2023-24			C
YEAR	GROSS INCOME	TAXES	NET TO LAND
2017	9.47	3.33	6.14
2018	9.47	2	7.47
2019	9.47	2	7.47
2020	9.47	1.75	7.72
2021	9.47	1.72	7.75
<b>TOTAL</b>			<b>36.55</b>
Final net to land $36.55/5 = 7.31$ 5 yr average			
Net to land/cap rate = productivity value			
$7.31/10.6\% = \$69$ per acre			

This category makes up approximately 4% of the land in agricultural production and is located throughout the county. After interviewing Parker County's AG Extension Agent Jay Kingston, the typical cash lease for 2020-21 is \$9.47 ac acre.

PEANUTS/COTTON 2023-24			D
YEAR	GROSS INCOME	TAXES	NET TO LAND
2017	26	5.75	20.25
2018	26	5.75	20.25
2019	26	5.75	20.25
2020	26	5.5	20.5
2021	26	5.35	20.65
<b>TOTAL</b>			<b>101.9</b>
Final net to land $101.9/5 = 20.38$ 5 yr average			
Net to land/cap rate = productivity value			
$20.38/10.6\% = \$192$ per acre			

This category makes up approximately 1% of the land in agricultural production and is located in the western part of the county. After interviewing Parker County's AG Extension Agent Jay Kingston, the typical cash lease for 2020-2021 is \$26.00 an acre

ORCHARD 2023-24			E
YEAR	GROSS INCOME	TAXES	NET TO LAND
2015	28	6.19	21.81
2016	28	6.19	21.81
2017	28	6.19	21.81
2018	28	6.1	21.9
2019	28	6.02	21.98
<b>TOTAL</b>			<b>109.31</b>
Final net to land $109.31/5 = 21.86$ 5 yr average			
Net to land/cap rate = productivity value			
$21.86/10.6\% = \$206$ per acre			

This category makes up approximately 1% of the land in agricultural production and is located in the western part of the county. After interviewing Parker County's AG Extension Agent Jay Kingston, the typical cash lease for 2020-21 is \$28.00 an acre

The following ratios are a general guideline for Parker County. However, the ratio will differ within Parker County depending on several local factors, such as soil type.

### LIVESTOCK

<i>Native pasture land</i>	<u>Mature cow</u>	<u>1 animal unit</u>	<u>8-10 acres</u>
	<u>Cow 1-2 years</u>	<u>1 animal unit</u>	<u>5-7 acres</u>
	<u>Horse</u>	<u>1 animal unit</u>	<u>10-12 acres</u>
<i>Improved pasture land</i>	<u>Mature cow</u>	<u>1 animal unit</u>	<u>2-3 acres</u>
	<u>Cow 1-2 years</u>	<u>1 animal unit</u>	<u>0.5-1 acres</u>
	<u>Horse</u>	<u>1 animal unit</u>	<u>3-4 acres</u>

### HAY PRODUCTION - NATIVE GRASS

<i>Native grass</i>	<u>Round bales (1000 lbs.)</u>	<u>0.5-1 per acre</u>
	<u>Square bales (60lbs.)</u>	<u>15-20 per acre</u>

*Native grassland in Parker County is typically used for livestock grazing.*

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## HAY PRODUCTION - IMPROVED GRASS

- *Typical annual production based on normal rainfall, fertilizer, weed control.*
- *3-4 cuttings per year is typical*

<i>Improved pasture land</i>	<u>Round bales (1000 lbs.)</u>	<u>2.5-3.5 per acre</u>
	<u>Square bales (60lbs.)</u>	<u>85-95 per acres</u>

*These guidelines are established with the assistance of the Parker County Agricultural Extension Office.*

## Soil Types

*In accordance with Section 23.51 (3) of the Texas Property Tax Code, Parker County agricultural productivity categories have been divided into soil types, soil capability, irrigation, general topography, geographical factors that influence the productive capacity of the category. PCAD's GIS mapping has a layer for soil types obtained in cooperation with the Natural Resource Conservation Service (NRCS). Also, this information can be obtained from a website, ([www.websoilsurvey.nrcs.usda.gov](http://www.websoilsurvey.nrcs.usda.gov)). Ninety-eight percent of all agricultural land in Parker County is made up of native pasture or improved pasture/dry cropland (2%- orchards & peanuts).*

<b>Soil Type</b>	<b>Range Site</b>	<b>Acres</b>	<b>Percent</b>	<b>Avg Herb Yield</b>	<b>Yield Index</b>	<b>Ag Use Class</b>
Bosque loam	loamy bottom land	3,560	0.6%	5250	117	A1
Bunyan fine sandy loam	loamy bottom land	3,980	0.7%	5250	117	
Frio clay loam freq flood	loamy bottom land	6,290	1.1%	5250	117	
Frio clay loam occas flood	loamy bottom land	8,220	1.4%	5250	117	
Norwood silt loam	loamy bottom land	3,350	0.6%	5250	117	
Ships silty clay	clayey bottom land	1,430	0.3%	5250	117	
Yahola and Bunyan soils, freq flooded	loamy bottom land	17,210	3.0%	5250	117	
Yomont very fine sandy loam	loamy bottom land	2,280	0.4%	5250	117	
Yomont very fine sandy loam flood	loamy bottom land	450	0.1%	5250	117	
Blanket clay loam 1-3	clay loam	3,430	0.6%	4750	105	A2
Bolar clay loam 1-3	clay loam	1,020	0.2%	4750	105	
Bolar clay loam 3-5	clay loam	4,720	0.8%	4750	105	
Bolar clay loam 5-8	clay loam	2,530	0.4%	4750	105	
Denton clay 1-3	clay loam	11,830	2.1%	4750	105	
Krum clay 0-1	clay loam	2,450	0.4%	4750	105	
Krum clay 1-3	clay loam	9,030	1.6%	4750	105	
Lamar clay loam 3-5	clay loam	2,090	0.4%	4750	105	
Lamar clay loam 5-8	clay loam	4,840	0.8%	4750	105	
Venus clay loam 1-3	clay loam	6,620	1.2%	4750	105	
Venus clay loam 3-5	clay loam	22,910	4.0%	4750	105	
Venus clay loam 5-8	clay loam	13,530	2.4%	4750	105	
Bastrop fine sandy loam 0-1	sandy loam	1,070	0.2%	4500	100	



Bastrop fine sandy loam 1-3	sandy loam	1,060	0.2%	4500	100	
Bastrop fine sandy loam 2-5	sandy loam	1,720	0.3%	4500	100	
Bonti fine sandy loam 1-3	sandy loam	3,480	0.6%	4500	100	
Bonti fine sandy loam 1-5	sandy loam	3,910	0.7%	4500	100	
Bonti fine sandy loam 3-5	sandy loam	2,110	0.4%	4500	100	
Duffau and Weatherford soils 1-5	sandy loam	10,820	1.9%	4500	100	
Duffau and Weatherford soils 2-5	sandy loam	29,960	5.2%	4500	100	
Duffau and Weatherford soils 2-8	sandy loam	9,620	1.7%	4500	100	
Duffau and Weatherford soils 5-8	sandy loam	27,300	4.8%	4500	100	
Duffau-Orthents complex 3-8	sandy loam	5,270	0.9%	4500	100	
Hardeman very fine sandy loam 0-2	sandy loam	820	0.1%	4500	100	
Hardeman very fine sandy loam 6-12	sandy loam	710	0.1%	4500	100	
Lindy loam 1-3	deep redland	2,150	0.4%	4500	100	
May fine sandy loam 1-3	sandy loam	5,490	1.0%	4500	100	
Windthorst loamy fine sand 1-5 eroded	sandy loam	40,470	7.1%	4500	100	
Windthorst loamy fine sand 3-5	sandy loam	3,370	0.6%	4500	100	
Windthorst loamy fine sand 5-8	sandy loam	16,860	3.0%	4500	100	
Windthorst soils 1-8 severe eroded	sandy loam	11,610	2.0%	4500	100	
Hensley complex 0-3	redland	6,010	1.1%	3750	87	A3
Chaney loamy fine sand 1-5	sandy	16,290	2.9%	3500	78	
Chaney loamy fine sand 3-5	sandy	2,030	0.4%	3500	78	
Heaton fine sand 1-5	sandy	1,380	0.2%	3500	78	
Nimrod 1-5	sandy	12,320	2.2%	3500	78	
Nimrod 5-8	sandy	1,550	0.3%	3500	78	
Selden loamy fine sand 1-5 eroded	sandy	4,640	0.8%	3500	78	
Selden loamy fine sand 1-5 slope	sandy	9,630	1.7%	3500	78	
Windthorst loamy fine sand 1-5	sandy	7,420	1.3%	3500	78	
Bonti and Truce 1-8	tight sandy loam	11,690	2.0%	3000	67	A4
Hasse fine sandy loam 0-1	claypan	1,850	0.3%	3000	67	
Reap clay 1-3	clay flat	1,080	0.2%	3000	67	

Thunder clay loam 1-3	claypan	5,610	1.0%	3000	67	
Truce fine sandy loam 1-3	tight sandy loam	5,710	1.0%	3000	67	
Truce fine sandy loam 2-5 eroded	tight sandy loam	9,660	1.7%	3000	67	
Truce fine sandy loam 3-5	tight sandy loam	1,110	0.2%	3000	67	
Truce fine sandy loam 5-8 eroded	tight sandy loam	1,030	0.2%	3000	67	
Truce stony soils 5-20	sandstone hills	10,120	1.8%	2750	61	
Aledo association	shallow	103,520	18.1%	2500	56	A5
Lincoln soils	sandy bottom land	2,010	0.4%	2500	56	
Purves clay 1-3	shallow	3,610	0.6%	2500	56	
Purves clay 3-5	shallow	4,390	0.8%	2500	56	
Brackett and Maloterre 12-30	steep adobe	5,310	0.9%	2000	45	
Brackett and Maloterre 3-12	steep adobe	24,110	4.2%	2000	45	
Patilo complex 1-5	deep sand	1,600	0.3%	2000	45	
Owens clay 3-12	shallow clay	2,030	0.4%	1750	39	
Owens-Truce complex 5-30	shallow clay	3,060	0.5%	1750	39	
Maloterre soils 2-5	very shallow	<u>2,980</u>	<u>0.5%</u>	1150	26	
		571,320	acres			

## Rollback Tax Information

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### ***What is a “Rollback” Tax?***

Texas Law imposes a “rollback” tax when the owner of the land changes the use of land. 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 three (3) years to prevent the rollback of taxes.

### ***Who determines a change in 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 1-d-1 but may not be subject to a rollback.

### ***How is a rollback calculated?***

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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. 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 did not 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 change of use occurs 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 qualify for Special Use Valuation, you must file a Special Use 1-d-1 Agricultural use Application between January 1st and April 30th.

***If a new owner stops ag use, will this trigger a rollback?***

**No**, only a change in use will trigger a rollback.