

# Stonewall County Appraisal District

Agricultural  
Appraisal &  
Intensity  
Standards

Approved: September 14, 2016

## Introduction for Agricultural Appraisal

Voters in the State of Texas approved the first agricultural appraisal law for ad valorem taxes in 1966 due to the concern that taxes could become so high that farmers and ranchers would be forced to abandon agriculture. The first law was known as the 1-D. The 1-D intended to protect the family farm from being taxed out of existence as Texas became more and more urbanized and market prices of agricultural land skyrocketed. In 1978, the Texas voters again amended the constitution as Texas became more urbanized. The added amendment was known as 1-D-1. These laws permit agricultural and open space land to be taxed generally on its agricultural use, or productivity value instead of the selling price of the land in open market.

The purpose of the 2 laws are similar. Under both provisions, the land must be in agricultural use and valued in the same manner. However there are differences in the qualifications that must be met in order to receive the productivity valuation.

- a. Ag use – 1-d qualifications include:
  1. The land must be owned by a natural person. Partnerships, corporations or organizations may not qualify.
  2. The land must have been in agricultural use for three (3) years prior to claiming the valuation.
  3. The owner must apply for the designation each year and file a sworn statement about the use of the land.
  4. The agricultural business must be the land owner's primary occupation and source of income.
- b. Open space – 1-d-1, qualifications include:
  1. The land may be owned by an individual, corporation or partnership.
  2. The land must be currently devoted principally to agricultural use to the degree of intensity accepted in the area.
  3. The land must have be devoted to a qualifying agricultural use for at least five (5) of the past seven (7) years.
  4. Agricultural business need not be the principal business of the owner
  5. Once the application for 1-d-1 is filed and approved, a landowner is not required to file again as long as the land qualifies unless the chief appraiser requests another application to confirm current qualifications.

## **Application**

To qualify for an open space appraisal, a property owner must file an application for 1-d-1 agricultural appraisal using the state approved form with the appraisal district. After a 1-d-1 application is filed, an on-site inspection is performed to verify the use of the land. If the information provided in the application does not match the on-site inspection and the information is not sufficient for the appraiser to make a determination as to eligibility, the property owner will be required to file production receipts and complete a questionnaire. To receive the special appraisal the application must be filed before May 1. For good cause shown, the Chief Appraiser may extend the deadline by written order for a single period not to exceed 60 days.

## **Qualification of Land**

Agricultural appraisal applies only to the land. It does not apply to improvements on land, minerals, or agricultural products. Improvements such as houses, barns, silos, sheds and other farm outbuildings are appraised separately at market value. Fences are treated as appurtenances and not appraised separately. Minerals such as oil, gas or any hard mineral such as coal must be appraised separately and at market value. Products of the agricultural operation such as cotton, grain, hay, cattle, exotic animals, etc. in the hands of the producer are generally exempt from taxation because of other provisions of Texas Law. Some man-made alterations of, or additions to, agricultural land are valued as part of the land. These appurtenances to the land – canals, water wells, roads, stock tanks and other similar reshaping of the soil – are included in the value of the land and are not separately appraised.

- a. Principal or primary use – The use must pass the current use test. The land must be in agricultural use as of January of the tax year for one or more of the agricultural purposes described in this guideline. This use must follow what is typical for the area for the type of agricultural operation taking place on the property. This use must be the land's primary use and not a secondary use. Small acreage that is not used as part of a larger operation and has a home built upon the tract is primarily residential in nature, with agricultural

as a secondary use. Homesites will be considered a separate land segment on the appraisal roll. Property owners may use their homestead exemption (up to 20 acres), if they qualify, on tracts that have more than one use. The term “agricultural use” is defined in the Texas Property Tax Code in Section 23.51 (2) as including but not limited to the following activities:

1. Cultivating the soil
  2. Producing crops for human food, animal food, or planting seed or for the production of fibers
  3. Floriculture: the cultivation and management of ornamental and flowering plants
  4. Viticulture: the cultivation of grapes
  5. Raising or Keeping livestock. “Livestock” means a domesticated animal that derives its primary nourishment from vegetation, supplemented as necessary with commercial feed. Livestock includes meat or dairy cattle, horses, goats, swine, poultry and sheep. Wild animals are not livestock.
  6. Raising exotic game for commercial use. Exotic game means a cloven-hoofed ruminant mammal that is not native to Texas and is not “livestock”. Raising such game may qualify, but must meet the primary use test.
  7. Participation in a government program and normal crop rotation. Land left idle to participate in a government program is used for agricultural. Land left idle for crop rotation qualifies until it is left idle for longer than the crop rotation period typical for the crop in the area.
  8. Raising or keeping bees for pollination or for the production of human food. The land for keeping bees cannot be less than 5.0 acres and more than 20 acres.
  9. Use of land for Wildlife Management
- b. Devotion to use – The use must also pass the time period test. According to state law, the land must have been devoted to a qualifying agricultural use for five (5) of the preceding seven (7) years. When history is in doubt, the following examples of desired documentation provided for verification:
1. Copies of tax records for each of the five (5) year history, of the person using the property.

2. Copies of current leases (notarized, dated and signed by both parties, including a legal description of the properties under lease)
3. Auction yard receipts or purchase receipts for animals, or cancelled checks for seeds and/or fertilizer.
4. If claiming hay production, state the kind of grass, number of cuttings per year, and total yearly production in number of bales.
5. Rotation schedules for grazing and crops
6. Expense receipts
7. Sworn affidavits from individuals having personal knowledge of the previous use and history of the subject property.
8. Census counts including with annual update on wildlife management

Land under agricultural production must be specifically identified and products clearly stated. The land must be described physically and legally. Physical description identifies the land in categories or classifications such as dry cropland or native pasture, as well as the number of acres in production. The productivity capability of the land must be described to allow for measurement of agricultural production intensity.

If the land is located within the boundaries of a town or city, one of the following must be met, in addition to the normal requirements; the city must not provide the land with general services in comparison to those in other parts of the city having similar features and population and/or must have been devoted principally to agricultural use continuously for the proceeding five years.

- c. Intensity of use test – The level of use of land must be to the degree that is typical in this area. The degree of intensity test measures whether the land is being farmed or ranched to the extent that is typical for similar operations in the area. The law does not state what degree of intensity qualifies a particular type of land. The chief appraiser is responsible for setting degree of intensity standards for the types of commodity production in the area with the assistance of the agricultural advisory board.
  1. Adequate fences must be maintained
  2. Stock water must be supplied
  3. There must be systematic marketing practices in place, that is, herd management procedures to get the animals to market

4. There needs to be proper land management to provide long term forage
  5. There must be enough animal units to match the carrying capacity of the land
  6. Stocking ratios determined for the county's agricultural area to be met
  7. There must be enough animal units to constitute a typical agricultural operation
- d. The next test would be the herd size test which is based on carrying capacity or grazing capacity of the maximum stocking rate possible while maintaining or improving vegetation or related sources.

## **Degree of Intensity Standards**

Intensity of agricultural production is the central issue or standard of agricultural use qualification. Intensity of use for our area is based on information gathered from several local sources and statistical data.

### **Management Practices:**

- A. Irrigated cropland – none in our county
- B. Dry land cropland – standard practices: shredding previous crop, tillage, planting, fertilize, apply herbicide, insect control, harvest or grazing (dependent upon crop)
- C. Native Pasture – weed/brush control, mechanical or chemical; fences maintained, stock water, marketing
- D. Improved pasture – fertilize, weed control, fences maintained, stock water, marketing

Land may be left idle for the following reasons: a normal crop or livestock rotation; as required by participation in a government program; or to serve some other agricultural necessity such as fence repair, water replacement or repair, soil shaping, etc. In the event land is idle for the above stated purpose, it must be evident that these improvements are in progress and being accomplished within a reasonable period of time. Currently the only government program that will qualify for 1-D-1 productivity on its own is the Conservation Reserve Program (CRP) ten year set aside program. This type of program is a federal program that allows producers to put cropland back into grassland. The land owner is paid to participate in this program.

Property owners may elect to allow their land to remain fallow as part of the prudent management of their property for up to two (2) years out of a seven (7) year period without forfeiting their agricultural appraisal. Property owners who wish to take this course of action should send a letter to the Appraisal District office stating their intent to do so no later than April 30<sup>th</sup> of the year in which the land is to remain fallow.

Section 23.522 of the Texas Property Tax Code offers additional leeway for a property owner to allow his/her land to remain fallow during a drought declared by the Governor. Property owners wishing to take advantage of these provisions

should send a letter to the Appraisal District office stating their intent to do so no later than April 30<sup>th</sup> of the year in which the land is to remain fallow. Such requests will be reviewed by the Appraisal District staff and approved or denied on a case-by-case basis.

## **Land – Degree of Intensity**

### **Cropland Operation –**

Type of crops typical in our county: wheat, cotton, hay grazer; Not as typical but in our county: sorghum, barley and oats. Agricultural requirements exclude homesite land. Properties less than 10 acres will generally not qualify for the special-use valuation. Consideration will be given to tracts less than 10 acres that are operational with contiguous parcels if all of the following are met: ***All other Stonewall CAD degree of intensity requirements must be met.***

The Stonewall County Appraisal District understands that other exceptions may arise and will evaluate those exceptions on an individual basis.

Stonewall CAD typically requires 20 acres to qualify for cropland and this is done on base acres plus amount of yield that type of commodity would require to achieve minimum standard of production to qualify agricultural use given prudent management.

### **Grazing Operation –**

Typical grazing in our county: cows, goats, sheep, wildlife and exotics. To qualify for agricultural appraisal, Horses are limited to breeding operations. Donkeys and burros are also included in this type of operation. Exotics require a seven (7) to eight (8) foot fenced perimeter.

Stocking rates for Stonewall CAD:

Improved Pasture – 1 animal unit per 9 acres

Good Native Pasture – 1 animal unit per 12.8 acres (usually on rotation plan)

Average Native Pasture – 1 animal unit per 24 acres

Poor Native Pasture – 1 animal unit per 30-40 acres

**\*\* Refer to Animal Unit Equivalency Chart**



## **Beekeeping – Degree of Intensity**

Beekeeping is an agricultural use and shall qualify for agricultural use productivity valuation if used for pollination or for the production of human food or other tangible products that have a commercial value.

The acreage requirement set by the State of Texas is set at a minimum of 5 acres and a maximum of 20 acres to qualify beekeeping as an agricultural use.

Our degree of intensity standard is set at a minimum of six colonies (hives) and 5 acres. The minimum degree of intensity was established using Section 131.001 Texas Agriculture Code's definition on an Apiary, which is a place where six or more colonies of bees or nuclei of bees are kept. A colony is the hive and its equipment and appurtenances including bees, comb, honey, pollen and brood.

For each additional 2.5 acres one (1) additional hive is required. If additional acreage is less than 2.5 acres, no additional hive is required.

The Stonewall County Appraisal District's degree of intensity is 6 hives on the first 5 acres with 1 hive per additional 2.5 acres up to 20 acres. This will give a range of 6-12 hives for a minimum requirement or an average of 0.6 hives per acre (12/20). The productivity value for beekeeping will be based upon the Dry Cropland productivity value. The hives must be maintained and kept alive. The Stonewall County Appraisal District will approve the agricultural productivity appraisal on the total acreage, not just where the hives sit.

When property owners initially qualify for agricultural appraisal they must show proof of history for agricultural use/beekeeping for any of the 5 out of 7 preceding years. Ways to qualify:

- a. Ask for export, import, or intra-state permits, which are required by the Texas Apiary Inspection Service to transport hives
- b. Copy of Schedule F from Income Tax filings
- c. Copy of Receipts for ag supplies (e.g. hives, frames, queens, honey sales, suits, smoker, etc.)
- d. 2 notarized statements from non-relative neighbors witnessing 5 years ag use on property
- e. Copy of subject property lease for ag use purposes
- f. Any documentation that substantiates an ag use history

- g. Pictures of beekeeping activities on the property

### **Wildlife – Degree of Intensity**

Wildlife management is defined as actively using land that at the time the wildlife management use began was appraised as qualified open-space land under Section 23.51 of the Texas Property Tax Code in at least three of the following ways to propagate a sustaining breeding, migrating, or wintering population of indigenous wild animals for human use, including food, medicine, or recreations: habitat control, erosion control, predator control, providing supplemental supplies of water, providing supplemental supplies of food, providing shelters, and making census counts to determine population.

It is important to note that the land must be currently used and receiving special agricultural valuation at the time the land is changed into wildlife management. The history of agricultural use, primary use, and degree of intensity standards are the same for wildlife management as they are for 1-d-1 open-space land.

Stonewall County is located in the Rolling Plains economic region of the Wildlife Use Appraisal Regions. Based on this location, minimum acreage requirements are suggested by the Texas Comptroller of Public Accounts. The wildlife use requirements states that the percent range for qualification in our area is 93-95%. If the land is part of a wildlife management property association then the range is 91-92%. And if the land is located in an area designated by the Texas Parks and Wildlife as habitat for endangered species, a threatened species, or a candidate for listing as threatened or endangered, the wildlife use requirement will be in a range of 91-92%. Plans submitted by an association must be signed by each member that is an owner or their agent with the detailed information for each tract.

This calculates to minimum acreage for Stonewall CAD to qualify for special appraisal:

25 acres for normal wildlife use

13 acres for tracts that are part of a wildlife management property association

13 acres for habitat for an endangered species

**\*\*ANIMAL UNIT EQUIVALENCY CHART**

<b>Cattle</b>	<b>Animal unit</b>
Mature Cows without a calf (1000 lbs)	1.0
Cow with a calf	1.2
Weaned calf to yearling	0.6
Steers and heifers (1-2 years)	1.0
Mature bulls	1.25 to 1.5
<b>Sheep</b>	
5 ewes with or without lambs	1.0
4 rams or buck sheep	1.0
8 lambs weaned to 1 year	1.0
5 barbodo sheep	1.0
<b>Goats</b>	
6 does (nanny) with or without kids	1.0
10 weaned kids to yearlings	1.0
5 bucks (billy)	1.0
6 mature mutton goats	1.0
<b>Horses and Mules</b>	
Mature horse (1200 lbs)	1.0 to 1.25
Mature mule	1.0 to 1.25
Miniature horse	.50
Burro	.75
<b>Wildlife</b>	
6 whitetail deer	1.0
6 mule deer	1.0
5 axis deer	1.0
5 fallow deer	1.0
6 sika deer	1.0
2.5 red deer	1.0
1 elk	1.0
7 pronghorn antelope	1.0
9 blackbuck antelope	1.0
1 Eland antelope	1.0
3 addax antelope	1.0
2 scimitar horned oryx antelope	1.0

2 gemsbok oryx antelope	1.0
5 aoudad sheep	1.0
5 mouflon sheep	1.0
5 alpacas	1.0
3 llamas	1.0
3 emus	1.0
2 ostriches	1.0

Animal unit is commonly defined as 1000 lbs of body weight. This is based on the amount of dry forage required by one animal unit for one month based on a forage allowance of 26 lbs per day.