

Wilson County Appraisal District Agricultural Valuation (1-d-1 Open Space) Information

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 six (4) years.

Is Agricultural Valuation (1-d-1) the same as "Open Space" Valuation?

Yes, the Texas Constitution provides for the special valuation of "open space land devoted to farm or ranch purposes." Undeveloped non-agricultural land does not qualify.

What are the Qualifications for Agricultural Valuation?

In order to qualify, your land 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 2021, five years of agricultural usage must be established for the years 2014 through 2020. Owner records, lease agreements, receipts, or notarized 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 less than 10 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 Wilson County Appraisal District.

How Do I Apply?

An application form may be obtained at the Wilson County Appraisal District office or on our website at wilson-cad.org. The application must be completed and returned on or before April 30. A late application may be accepted prior to the Certification of the Appraisal Roll (usually on or before July 20th). However, there is a 10% penalty for late applications. If two appraisal districts appraise your property, you must file with each respective office.

If you need assistance filling out the application or have any questions you may contact Robert Gonzales or Beka Lerich at (830) 393-3065 or via e-mail at bekam.wcad@yahoo.com.

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 an agricultural valuation was granted in the previous year is not a guarantee that the application will be approved. Changes in laws, minimum standards and the 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?

Degree of Intensity Standards for Livestock/Hay

Production Unit	Minimum Number of Units	Number of offspring/yr
Beef Cattle-Cow	2 cows	2 calves/year
Beef Cattle -Stocker Calves	6 stockers	
Horses [breeding]	3 brood mares	1-2 foals
Goats [including Barbado]	15 nannies	15 kids
Sheep	15 ewes	15 lambs
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Hay [i.e. marketable] Improved	3 tons/ac/yr	

Note: Livestock production/unit per ten acres. 75% of the livestock present must be qualifying agricultural animals.

For agriculture inspection purposes the following classification will be used:

Definition of Livestock

Livestock- are domesticated animals that derive its primary nourishment from vegetation, supplemented as necessary with commercial feed. Livestock includes meat or dairy cattle, horses, goats, and sheep. Wild animals are not livestock.

Miniature horses, donkeys and llamas do not qualify as agriculture livestock. They are considered pets.

Other factors 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, fruits, 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.

In the event the 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. During idle periods the land must be maintained in a workman like manner.

Bee Keeping Standards

Acres	Hives
5-7	3
7.5-9	4
9.5 -11	5
11.5-13	6
13.5-15	7
15.5-17	8
17.5-19	9
20	10

Bee Keeping Guidelines

Texas Property Tax Code Section 23.51 (2)

1. Bees may qualify on tracts of land not less than 5 acres or no more than 20 acres
2. Minimum of 3 mainframe hives **must** be in place at time of application.
3. Maximum of 10 mainframe hives on a maximum of 20 acres.
4. Bees can be used to establish history with supporting documentation
5. Hives must be maintained and kept alive.
6. Flowering Plants must be planted to support hives if the hives are in areas where there is limited vegetation that requires pollination.

For Orchards, number of trees per acre:

Tree	Years Old	Number of Trees
Pecan	1-15	17
Pecan	15-40	8 plus
Pecan	40+	4 plus
Peach		70 -100 tress

Other factors considered are the following management practices:

- Economic Return Generated – Orchard should be managed to maximize pecan/peach sales. Home use pf pecans/peaches will not qualify.
- Spraying – As Recommended in the Texas Agricultural Extension publication, ” Homeowners’ Fruit and Nit Spray Schedule” [Publication #B-5041]
- Fertilizing – At least one fertilizer application per year per tree
- Weed control mechanical or chemical
- Drip or some other means of adequate irrigation for establishment
- Harvesting – Harvest techniques to maximize yield

Minimum Typical Management Practices for Small Acreage Production of Nursery: Stock and/or Nursery Greenhouse

- Minimum 1 acre
- Sufficient stock planted
- Weed and insect control
- Proper Equipment
- Manage for/and harvest

Minimum Typical Management Practices for Small Acreage Production of Organic Farming:

- Plant 1 acre minimum (All produce combined)
- Organic Gardening – State Certified

- Land Preparation – Plow – Turn soil – 1 acre minimum
- Weed and insect control
- Organic Acceptable Fertilizers
- Manage Harvest

Minimum Typical Management Practices for Small Acreage Production of Grain, Sorghum, Corn, and Peanuts:

- Minimum 10 acres
- Land must be free or brush
- Shred and/or disk to destroy stalks and form a mulch
- Chisel and/or plow three times (Conservation till acceptable with proof of chemicals used)
- Apply fertilizer according to soil test or typical for area
- Plant
- Cultivate
- Must try to harvest average county yield

Minimum Typical Management Practices for Small Acreage Production of Wheat:

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

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 help establish qualifications.

The Wilson County Appraisal District realizes some exceptions to the norm and will review each applicant's situation on an individual basis.

Agriculture Productivity Calculation

To develop the productivity schedule for the county the district gathers information from multiple sources. The district annually sends out surveys to current 1-d-1 landowners to gather lease rate information. Another way the district gathers lease information is from the new or current owner ag applications submitted to the district.

The district meets throughout each year with the Agriculture Advisory Board to discuss lease rates, fencing cost, clearing costs and to discuss various agriculture matters.

To calculate the rate the district uses the lease information from 2 years prior of the current year to develop average lease rates used in the calculation. This calculation determines the productivity value for the different land categories.

**Example: Avg lease rate + hunting lease amount -taxes – insurance – fencing cost = net to land x annual cap rate set by the comptroller = productivity value

Characteristics of Land Categories:

Dry Cropland- Fields have little to no trees. Fields Worked and plowed for purposes of growing crops.

Irrigated Cropland- Fields are watered by irrigation system.

Improved Pasture- Fields are typically cleared. May include a few groups of trees with a majority of open pasture with few rocks. Fields may have native grasses or seeded/sprigged improved grass.

Native Pasture- Fields have brush growth, scattered to dense trees, rocks and native grasses.

Orchards- Is an intentional planting of trees or shrubs that is maintained for good production. Orchards comprise fruit, vegetable, and nut producing trees which are grown for commercial production.

Wildlife Management- Qualified agricultural properties that have filed and are following a 5 year wildlife management plan.

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 nonagricultural buildings on the property.

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 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) day of the notification of that action to the Appraisal Review Board. In most instances, the matter can be resolved informally with appraisal district staff and a formal hearing is unnecessary.

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 five (3) years preceding the use change. A five percent (5%) 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 1st and April 30th.

**For additional information please contact the
Wilson County Appraisal District*

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