

# APPLICATION FOR SPECIAL AGRICULTURAL VALUATION

NAVARRO CENTRAL APPRAISAL DISTRICT (NCAD)

## HOMEOWNERS IN TEXAS,

There is a special valuation for land that is devoted primarily to agricultural production. Agricultural or productivity value is based on the land's capacity to produce crops or livestock instead of its value on the real estate market.

Agricultural valuation (1-d-1) is the same as "open space" valuation. The Texas Constitution provides for the special valuation of "open space land devoted to farm or ranch purposes". In other words, undeveloped non-agricultural land does not qualify.

Section 23.51 of the Property Tax Code sets the standard for determining whether the land qualifies for an agricultural valuation under 1-d-1. 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 use for 5 of the preceding 7 years or new owner must build this history
- (3) The principle use of the land must be agricultural
- (4) The agricultural usages of the land must meet the local degree of intensity standards which define the required level of use, management practices, etc. typical for Navarro County.

Agricultural appraisal applies only to land. It does not apply to improvements on land such as farm or ranch outbuildings, barns, and storage tanks. These items are appraised separately at market value. Appurtenances to the land such as stock tanks, roads, and fences are included in the land value and are not appraised separately.

Applications are available at Navarro Central Appraisal District at 111 East 1<sup>st</sup> Avenue, Corsicana, TX or on our website at [www.navarrocad.com](http://www.navarrocad.com)

## APPLYING FOR AGRICULTURAL VALUATION

\*Obtain application from NCAD

\*Complete and return application by April 30<sup>th</sup>. A late application may be accepted. See application for information. However, by law, there is a 10% tax penalty for late applications.

\*A new owner must submit a new application when the ownership of the land changes, if new owner believes the land will continue to qualify for the agricultural valuation. The fact that agricultural valuation was granted in the previous tax year is not a guarantee the application will be approved.

\*An NCAD appraiser will review the application and field review your property to verify the property qualifies pursuant to the statutory requirements.

\*Once the application is approved, you will not need to re-apply each year. A new application is necessary only if there has been a change from what was reported on the initial application OR if the Chief Appraiser requests a new one. Any changes in the use of the land will require the owner to submit a new and current application.