

2024

GUADALUPE APPRAISAL DISTRICT

AGRICULTURAL LAND QUALIFICATION GUIDELINES



*****SUPPLEMENT TO THE TEXAS COMPTROLLER'S APPRAISAL OF AGRICULTURAL LAND MANUAL*****

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Introduction

It is the opinion of the Guadalupe Appraisal District that the Agricultural Land Qualification Guidelines are specific to Guadalupe County and are valid for mass appraisal purposes and can be applied uniformly throughout the jurisdiction of the Guadalupe CAD. These guidelines are intended to comply with the open-space special appraisal provisions of the Texas Constitution, the Texas Property Tax Code, and the Texas Comptroller’s rules.

Two amendments to the Texas Constitution permit agricultural and open-space land to be taxed generally on its agricultural use, or productivity value. This means that taxes would be assessed against the productive value of the land instead of the market value of the land in the open market. The legal basis for special land provisions of the Texas Property Tax Code are Sections 23.41 through 23.46, Agricultural Land; and Sections 23.51 through 23.57; Open-Space Land.

The following chart displays some of the key differences between the two laws.

| Element | 1-D | 1-D-1 |
|---|---|--|
| Reapplication | Requires the property owner to reapply every year | Requires reapplication only when the property changes ownership or eligibility to receive the special appraisal ends or is called into question. |
| Property Owner | Requires the property owner to be an individual | Allows both individuals and corporations to qualify. |
| Occupation and Income | Requires that agriculture be the property owner's primary occupation and source of income. The property owner must show that agricultural is conducted for profit | Has no occupation, income or profit requirements. Instead, it focused on whether the land is used to the degree of intensity typical in the area for a particular agricultural enterprise. |
| Number of preceding years devoted principally to qualifying ag use or timer production | Three years immediately preceding qualification | Five of the seven preceding years. |
| Roll-Back Tax | Requires a roll-back tax when the property is taken out of agricultural use or when it is sold. The roll-back recaptures taxes for the preceding three years. | Requires a roll-back tax only when agricultural operations cease or the use changes and the roll-back recaptures taxes for the tree preceding years. |

Introduction

Productivity value is determined by capitalizing the average net income the land would have yielded under prudent management from production of agricultural products during the five years preceding the current year. Productivity value tends to be lower than market value, resulting in tax savings to the property owner.

Contrary to popular belief, assessment based on open-space valuation due to agricultural or wildlife management use is not an exemption from property tax. The special valuation may significantly reduce the tax burden during the term in which the land's use qualifies for special use valuation, however, a change in its use invokes a tax penalty, or roll-back, which recaptures the tax savings from the previous (3) three years, as determined by the change of use date.

The constitution allows special agriculture appraisal only if the land meets specific requirements defining farm, ranch, wildlife management, bee keeping and ecological laboratory use. Land does not qualify just because it is open, raw or land untouched by development. In addition, token use of land such as home vegetable gardens and recreational use also do not qualify as agricultural use.

It should be noted that these guidelines are to be used as a general guide for qualifying agricultural land. Exceptions to this guide will be handled on a case-by-case basis. All contiguous parcels, under the same ownership, will be considered as one piece of property.

Much of the agricultural land in Texas qualifies for an agricultural appraisal under Section 1-D-1 of the Texas Constitution Article VIII, but agricultural appraisal is under Section 1-D as well. Section 1-D is restrictive, applying only to the land owned by families or individuals. Agriculture must be the property owner's primary occupation and source of income.

This guideline is primarily focused on Section 1-D-1 qualifications. Additional information on qualifying land for agricultural appraisal under Section 1-D can be found in the *Manual for the Appraisal of Agricultural Land*, published by the Texas Comptroller, Division of Property Tax Assistance Division.

Roles of Appraisal District and the Tax Office

Role of the Appraisal District

A Chief appraiser's duties and authority are to:

- Create a land classification system covering each type of agricultural land typical in the appraisal district;
- Calculate typical net income, based on a variety of sources, for prudent managed agricultural operations;
- Determine land use and degree of intensity standards for certain qualifying land;
- Provide applications and act separately on each agricultural appraisal application;
- Determine if and when a change of use occurs and notify the property owner of the determination;
- Appraise each property owner of the appraisal district's actions as required by the Tax Code.

Role of the Tax Office

A tax assessor's duties are to:

- Calculate taxes on the property;
- Deliver the tax bills; and
- Calculate and deliver a roll-back tax bill when the roll-back tax becomes due.

Definitions of Key Words/Phrases

Agricultural Operation – Land operated by the producer with equipment, labor, management, and production practices that are substantially separate from other operations.

Agricultural Use – Includes but is not limited to:

- Cultivating the soil
- Producing crops for human food, animal feed, or planting seed for the production of fibers
- Raising or keeping livestock
- Raising or keeping exotic animals for the production of human food or other tangible products having commercial value
- Planting cover crops in conjunction with normal crop or livestock rotation
- Floriculture, Viticulture, and horticulture
- Planting cover crops for the purpose of participating in government programs
- Raising or keeping bees for pollination or production of human food
- Use of land for wildlife management

AU – Animal unit – A measurement for any animal feeding operation.

AUE – Animal Unit Equivalent – Expresses the quantitative forage demand of a particular kind of class of animal relative to that of an animal unit. The baseline for the AUE system is a 1000-pound (lb.) animal equals 1.0 AUE which will eat an average of 9,490 lb. (dry matter) per year.

Applications – A property owner must file a valid application form with the Chief Appraiser where the land is located. The agricultural valuation is granted to a specific legal ownership and automatically terminates if there is any change in ownership.

Appurtenances – 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 not appraised separately.

Category – The value classification of land considering the agricultural use to which the land is principally devoted.

Crop – Cultivated plant that is grown as food, especially a grain, fruit, or vegetable; an amount of produce harvested at one time.

Cultivate – To prepare and use (land) for crops.

Equipment – The necessary items for a particular purpose.

Exotic Animal – A species of game not indigenous to Texas.

Husbandry – The care, cultivation and breeding of crops and animals.

Implements of Husbandry – Machinery and equipment items that are used in the production of farm and ranch products, regardless of their primary design.

Improved Pasture – Land planted with grasses that are not native to Guadalupe County but are suitable for grazing livestock.

Improvements – Buildings and structures such as barns, sheds, silos, and other outbuildings must be appraised separately at market value. Land beneath farm buildings and other agricultural improvements qualifies for special appraisal if they are used in connection with agricultural operations.

Livestock – Are domesticated animals that derive int nourishment from vegetation, supplemented as necessary with commercial feed. Livestock includes meat and dairy cattle, goats, poultry and sheep. Wild animals are not considered livestock. Horses, Miniature horses, miniature donkeys and miniature cattle are not considered qualifying agricultural livestock.

Minerals – The appraisal of minerals (including oil, gas, or any hard material) or subsurface rights to materials is not included in the special appraisal of 1-D-1 land and must be appraised separately.

New Owner – A new owner must file a valid application with the Chief Appraiser where the land is located. If a property changes owners a new application must be filed. The Appraisal District is not required to send a new application to the new owner; rather it is the new owner's responsibility to fill out a timely application and submit it to the District.

Open Space – Land that is currently devoted principally to agricultural use to the degree of intensity generally accepted in the area and that has been devoted principally to agricultural use.

Orchard – A piece of land planted with fruit or nut bring trees.

Primary – Of chief importance.

Principle – A fundamental quality or attribute determining the nature of something.

Prudent – Capable of making important management decisions; shrewd in the management of practical affairs. Specifically, the law states that the land must be utilized as would an ordinary and prudent manager.

Typical – Exhibiting the essential characteristics of a group. Specifically, the law states that Ag Land will be utilized as would a typical (ordinary) manager. Statistically, a typical prudent manager is a median farmer or rancher.

Wasteland – Land not suitable for agricultural production.

Wildlife Management – To propagate a sustainable breeding, migrating or wintering population of indigenous wild animals for human use, including food or medicine, or recreation, in at least three of the following ways: (1) Habitat Control; (2) Erosion Control; (3) Predator Control; (4) Providing Supplemental Supplies of Water; (5) Providing Supplemental Supplies of Food; (6) Providing Shelter; (7) Making Census counts to Determine Population

Filing Information

Application:

A property owner must file a valid application form with the Chief Appraiser where the land is located. It is important to note that a new owner must file this application in order to maintain the agricultural valuation. The agricultural valuation is granted to a specific legal ownership and automatically terminates if there is any change in ownership. Therefore, if a piece of property changes ownership a new application must be filed. The Appraisal District is not required to send a new application to the new owner; rather it is the new owner's responsibility to fill out a timely application and submit it to the District.

To be valid, the application for agricultural valuation must be on the form provided by the Appraisal District, prescribed by the Comptroller's Office and contain the information necessary for the Appraisal District to determine the validity of the claim. After receiving the application, the Chief Appraiser will review the application and make a determination as to whether all qualifications have been met. You may be asked to provide additional information to support your application or be scheduled for a field inspection. The owner of the land must show the Chief Appraiser that the land meets the use and intensity requirements.

Filing Deadline:

The deadline for filing an Application for 1-D-1 (Open-Space) Agricultural Use Appraisal is before May 1st, meaning the application form must be postmarked or filed not later than April 30th midnight. If this date falls on a weekend or holiday, the following business day is the deadline. The postmark is considered the delivery date. For good cause, the Chief Appraiser may extend the deadline date for up to 60 days if the request for extension of the deadline is received in writing before the deadline. The Property Tax Code does not define "good cause"; however, it is commonly something the applicant can't control.

Late Applications:

Applications received after the deadline will be accepted until midnight the day before the Appraisal Review Board approves the appraisal records. However, there is a penalty for late applications. An application filed after April 30th is subject to a penalty equal to 10% of the difference between the tax imposed at market value and the tax imposed at the agricultural productivity value. If the Chief Appraiser has extended the deadline for the property owner, then the penalty does not apply. The Guadalupe Appraisal District will not accept an application after the Appraisal Review Board has approved the Roll.

Failure to File the Application Form:

If a person does not file a valid application before the Appraisal Review Board approves the roll, the land is ineligible for an agricultural valuation for that year.

One-time Application:

Once an application for open-space valuation is filed and approved, a landowner is not required to file again, as long as the land continues to qualify for 1-D-1. However, the Chief Appraiser may request another application periodically to confirm current qualifications of land previously granted the special valuation. A new application is also required if the ownership changes, the legal acreage changes, or the use of the land changes. A property owner must apply for a 1-D each year. *See chart on page 1 of the guidelines. *

Notification of Changes:

The property owner must notify the Appraisal District in writing if the lands ownership, eligibility, or use type changes. The property owner must also notify the Appraisal District in writing before April 30th if they intend to let the land lay idle for the current year.

Drought:

The eligibility for 1-D-1 does not end when the land ceases to be devoted principally to agricultural use to the degree of intensity generally accepted in the area, if:

- A drought declared by the Governor creates an agricultural necessity to extend the normal time the land remains out of agricultural production; and
- The owner of the land intends that the use of the land in that matter and to that degree of intensity be resumed when the declared drought ends. Property Tax Code 23.522

Application Denial:

If the application is denied by the Chief Appraiser, you will be notified in writing by certified mail of the reasons(s) along with a brief explanation of the procedures for protesting the denial to the Appraisal Review Board. The owner has 30 days from the date of the denial letter to submit a written protest. When the owner comes to their protest hearing, they must bring all their supporting documentation.

Qualification of Land Under 1-D-1

Special agricultural appraisal under 1-D-1 law is only allowed if the property owner proves the special statutory requirements of Tax Code Chapter 23, Subchapter D. Land will not qualify for productivity valuation simply because it is rural or has some connection with agriculture. Neither will it qualify because it is open land that has no other possible use. The law does not provide a tax break for every use of open-space land.

Generally, land may qualify for agricultural appraisal if it is “currently devoted principally to agricultural use to the degree of intensity generally accepted in the area.” Texas Property Tax Code 23.54 (a) and (b).

For land to qualify for 1-D-1 appraisal for agricultural use, it must meet four eligibility requirements and successfully complete the application process.

| Four 1-D-1 Eligibility Requirements |
|--|
| 1. Applied to land and all appurtenances (Not Improvements) |
| 2. Devoted Currently and Principally to Agricultural Use |
| 3. Meets Degree of Intensity Test |
| 4. Meets Time Period Test |

Consideration is given to all the facts surrounding the property owner’s use of the land. All 1-D-1 eligibility requirements are examined. In the event it is determined the owner’s current and principal use of the land is for farm or ranch purposes – and not recreational ones – special appraisal cannot be granted until the agricultural use of the land also meets the required degree of intensity generally accepted in the area test and the time period test. Qualifying on one of the four requirements does not qualify the land for special valuation. All four eligibility requirements must be met, in addition to a successfully completed application process.

Requirement #1

Applied to Land and Appurtenance

| Four 1-D-1 Eligibility Requirements |
|--|
| 1. Applied to land and all appurtenances (Not Improvements) |
| 2. Devoted Currently and Principally to Agricultural Use |
| 3. Meets Degree of Intensity Test |
| 4. Meets Time Period Test |

1. 1-D-1 Land and Appurtenances

Agricultural appraisal applies only to the land and appurtenances. It does not apply to improvements on land, minerals or agricultural products that may be connected with the land.

Improvements – Buildings and structures such as barns, sheds, silos and other farm and ranch outbuildings must be appraised separately at market value. Land beneath the farm and ranch buildings and other agricultural improvements qualifies for special appraisal because it is used in connection with the agricultural operation.

Minerals – The appraisal of minerals (including oil, gas or any hard material) or surface rights to materials is not included in the special appraisal of 1-d-1 land and must be appraised separately.

Products of the agricultural operation – Farm products in the hand of the producer including livestock, poultry, eggs, timber, peaches, cotton, peanuts, grain, etc. may be exempt from taxation because of other provisions of Texas law and are not included in the special appraisal of 1-d-1 land. Machinery and equipment that are used in the production of farm and ranch products or of timber are implements of husbandry and also may be exempt.

Requirement #2

Devoted Currently and Principally

| Four 1-D-1 Eligibility Requirements |
|---|
| 1. Applied to land and all appurtenances (Not Improvements) |
| 2. Devoted Currently and Principally to Agricultural Use |
| 3. Meets Degree of Intensity Test |
| 4. Meets Time Period Test |

1. *Currently and Principal Agricultural Use*

Land must be currently devoted principally to agricultural use, to the degree of intensity generally accepted in the area.

Qualifying Activities

- Cultivating the soil.
- Production of crops for human consumption, animal feed or production of fibers.
- Cultivation of ornamental and flowering plants
- Cultivation of fruit, nuts, vegetables, flowers, herbs or other plants.
- Raising livestock such as cattle, goats, poultry and sheep.
- Raising exotic game for commercial use.
- Participation in government programs and normal crop rotation. Land left idle to participate in a government program if used for agriculture. Land left idle for crop rotation qualifies until idle for longer than the typical period.
- Wildlife management

Non-Qualifying Activities

- Harvesting native plants or wildlife
- Processing plants or animals
- Personal consumption of crops or livestock produced by the owner. (Gardens)

- Land used to train, board, show, or racehorses, or to ride horses for recreation, or to keep horses in some manner that is not incidental to breeding or raising horses to use as a tool for farm and ranch purposes.
- Raising cattle, goats, poultry or sheep for FFA and 4H projects.
- Token agricultural use which occurs in an effort to obtain tax relief.

Requirement #2 (Cont.)

Devoted currently and principally to Agricultural Use

Principal or Primary Use

“Land must be devoted principally to agricultural use. If the land is used for more than one purpose, the most important or primary use must be agricultural use. For example, if the principal use of the land is horseback riding for pleasure (recreational use) and not for farm or ranch purposes (agricultural use), it will not qualify for special appraisal.” Manual for the Appraisal of Agricultural Land, Texas Comptroller, Property Tax Division.

Qualifying Principle/Primary Use

Land devoted principally to an agricultural use. If more than one use occurs the most important or primary use must be agricultural.

Non-Qualifying Principal/Primary Use

- Pleasure and/or personal use gardening.
- Exotic game primarily used for hunting.
- Land used primarily to train, show, board or racehorses or to ride for any recreational reasons, including rodeo events, or to keep or use horses in some manner that is not incidental to breeding or raising horses, to use as tool in farming or ranching purposes.

Horses

Land used primarily for “raising, breeding, and/or grazing horses” and other activities that are for “farm and ranch purposes are agricultural uses. The principal use of the land must be agricultural – for “farm and ranch purposes” – not recreational ones. “If the use of the land is principally recreational, or as a hobby, then the activity, although agricultural in nature, is not one that promotes a farm and ranch purpose but instead promotes a recreational purpose”. If the land is used primarily to show, train, stable, board, race care for or otherwise divert livestock from a farm or ranch purpose, that land so diverted is not eligible as qualified open space land. Similarly, land used as a stable, where horses are kept, fed and cared for, is not being used primarily for an agricultural use, unless the stable is incidental to the farm and ranch purposes. Manual for the Appraisal of Agricultural Land, Texas Comptroller, Property Tax Division.

Exotic Animals

Land used primarily for hunting animals does not qualify for agricultural appraisal. For land used for raising or keeping exotic animals to qualify for special appraisal, the purpose in using the land for these animals must be for the production of food or other commercially valuable products.

Harvesting Native Plants

Harvesting native plants that grow wild on the land like (mesquite trees, mountain laurel, yaupon etc.) will not qualify land for agricultural appraisal.

Processing Plants and Animals

Activities that take place after the crop or animal has been raised and harvested do not qualify land for special appraisal. Activities such as pasteurizing and bottling milk; fermenting grapes and bottling wine; or slaughtering, dressing and packing meat will not qualify land for agricultural appraisal.

Current Devotion to Agricultural Use

The land must be “currently devoted” to qualifying agricultural use. The land must qualify on **January 1**. In the event that agricultural use is not evident on January 1, the chief appraiser may request more information from the property owner to support the vitality of the property owners claim of agricultural use on the land.

Requirement #3

Degree of Intensity Test

| Four 1-D-1 Eligibility Requirements |
|---|
| 1. Applied to land and all appurtenances (Not Improvements) |
| 2. Devoted Currently and Principally to Agricultural Use |
| 3. Meets Degree of Intensity Test |
| 4. Meets Time Period Test |

Degree of Intensity Test

The Degree of Intensity Test is examined in the year the property owner applies for the special appraisal and every year thereafter.

The Degree of Intensity Test measures whether the land is being farmed or ranched to the extent typical for agricultural operations within the county.

This test is intended to exclude land on which token use occurs in effort to obtain tax relief.

Three areas of consideration in the determination of degree of intensity are the (1) land classification within relevant geographic areas; (2) animal, orchard or bee unit requirements; and (3) stocking ratios for livestock.

1) Land Classifications within Relevant Geographic Areas

The major land classifications are Orchard, Row Crop, Improved Pasture and Native Pasture. The Major land classifications are further defined as Good, Average and Poor. The relevant area is interpreted to be that land inside the jurisdictional boundaries of the Guadalupe Appraisal District.

2) Intensity Requirement or Animal Units

The level of intensity for livestock is listed in animal units. An animal unit (AU) is defined as a 1,000-pound animal. These units are based on consumption levels of different classes of livestock. A typical livestock operation to the degree of intensity generally accepted in this area, such as grazing cattle or livestock for the majority of the year is three (3) animal units.

Livestock Minimum Standards show in Animal Units – One (1) Animal Unit = 1,000 # of Animals

Guadalupe County Minimum Animal Unit = 5 Animal Units

See Graft Below

| Animal | # of Animals To Meet 1 (AU) = 1,000# | 5 (AU) Minimum Requirement | Total Animals To Meet Minimum Requirement |
|---------------|---|---------------------------------------|--|
| Cattle | 1 | 5 (AU) | 5 Cows |
| Calves | 2 | 5 (AU) | 10 Calves |
| Goats | 5 | 5 (AU) | 25 Goats |
| Sheep | 6 | 5 (AU) | 30 Sheep |
| Axis Deer | 5 | 5 (AU) | 25 Axis |
| Alpaca | 4 | 5 (AU) | 20 Alpaca |
| Fallow Deer | 6 | 5 (AU) | 30 Fallow |

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 having a commercial value. (Sec. 23.51(2) Tax Code.

Beekeeping Intensity Requirement:

The level of Intensity for Bees is listed in Number of Hives Per Acres Under Production.

Bee Hives Minimum of Six (6)

Additional Hive of One (1) per 2.5 Acres

Section 131.001 Texas Agricultural Code’s definition of an apiary (Six or more colonies of bees or nuclei of bees are kept) is used in establishing the Degree of Intensity.

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

Requirement #4
Time Period Test (History)



| Four 1-D-1 Eligibility Requirements |
|---|
| 1. Applied to land and all appurtenances (Not Improvements) |
| 2. Devoted Currently and Principally to Agricultural Use |
| 3. Meets Degree of Intensity Test |
| 4. Meets Time Period Test |

Time Period Test

The land must have been “devoted principally to agricultural use” for five out of seven years preceding the application for special appraisal. A property owner is required to demonstrate a history of primary agricultural use that meets the five-year history test; presumably the property owners business records will help establish this history.

Improved Pasture Intensity Requirements

The following practices and typical acreages for the different land categories and intensity requirements are intended to be used as general guidelines. Exceptions to the general rule will be handled on a case-by-case basis. These are typical acreage requirements to achieve minimum standards of production to qualify land under agricultural use given prudent management.

Land Classification:

IMPROVED PASTURE – Standard practices include but are not limited to: fertilizing, weed control, maintaining perimeter fencing, stock water and marketing. Typical acreage requirements to achieve minimum standard production.

IPG or Improved Good Pasture – Consists of improved grasses that are typically used for hay. Typically fertilized once or twice per year and herbicide applied once a year. Typically cut for hay at least twice a year on average.

IPG Stocking Ratio: 1 Animal Unit per 3 Acres

IPA or Improved Pasture Average – Consists of improved grasses, the pasture is fertilized, and herbicide is applied once a year. Typically cut for hay at least twice a year on average then grazed the remainder.

IPA Stocking Ratio: 1 Animal Unit per 4 Acres

IPP or Improved Poor Pasture - Consists of improved grasses. These pastures may have been neglected and fertilizer or herbicide have not been applied. Typically grazed.

IPP Stocking Ratio: 1 Animal Unit per 6 Acres

Improved Pasture Intensity Requirements Cont.



Improved Pasture Intensity Requirements:

The level of intensity for livestock is listed in animal units. An animal unit (AU) is defined as a 1,000-pound animal. These units are based on consumption levels of different classes of livestock. A typical livestock operation to the degree of intensity generally accepted in this area, such as grazing cattle or livestock for the majority of the year is **five (5)** animal units.

Grazing Livestock

Acreage requirement Formula: Minimum Animal Units (AU) multiplied by acres required to support 1 animal unit = Number of acres needed to support the minimum animal units.

| Land Type | Minimum Animal Units | Acres to Support 1 Animal Unit | Acres Needed to Meet Minimum Degree of Intensity |
|------------------|-----------------------------|---------------------------------------|---|
| IPG | 5 AU | 3 Acres | 15 Acres |
| IPA | 5 AU | 4 Acres | 20 Acres |
| IPP | 5 AU | 6 Acres | 30 Acres |

Hay Production

Acreage needed to meet the minimum degree of intensity of hay production in Guadalupe County.



| Land Type | Acres Needed to Meet Mimimum Intenstiy Requirement |
|------------------|---|
| IPG | 15 Acres |
| IPA | 20 Acres |
| IPP | 30 Acres |

Native Pasture Intensity Requirements



The following practices and typical acreages for the different land categories and intensity requirements are intended to be used as general guidelines. Exceptions to the general rule will be handled on a case-by-case basis. These are typical acreage requirements to achieve minimum standards of production to qualify land under agricultural use given prudent management.

Land Classification:

NATIVE PASTURE – Standard practices include but are not limited to: fertilizing, weed control, stock water and marketing. Typical acreage requirements to achieve minimum standards of production.

NPG or Native Pasture Good – Consists primarily of native grasses only. Free of most brush and trees. This type of land may or may not be fertilized.

NPG - Stocking Ratio: 1 Animal Unit per 8 Acres

NPA or Native Pasture Average – Consists of pastures that have native grasses that are open pasture to lightly covered with brush (Post Oaks, Mesquite, Pine). This type of land would typically not be fertilized.

NPA – Stocking Ratio: 1 Animal Unit per 10 Acres

NPP or Native Pasture Poor – Consists of pasture that is covered with heavy dense brush, such as Post Oak with Yaupon underbrush. Native Pasture Poor has a minimum amount of grazeable forage for livestock.

NPP – Stocking Ratio: 1 Animal Unit per 15 Acres

Native Pasture Intensity Requirement Cont.



Grazing Livestock

Acreage Requirement Formula: Minimum Animal Units (AU) multiplied by acres required to support 1 animal unit = Number of acres to support minimum animal units.

| Land Type | Minimum Animal Units | Acres to Support 1 Animal Unit | Acres Needed to Meet minimum Degree of Intensity |
|------------------|-----------------------------|---------------------------------------|---|
| NPG | 5 AU | 8 Acres | 40 Acres |
| NPA | 5 AU | 10 Acres | 50 Acres |
| NPP | 5 AU | 15 Acres | 75 Acres |

Row Crop Intensity Requirements



The following practices and typical acreages for the different land categories and intensity requirements are intended to be used as general guidelines. Exceptions to the general rule will be handled on a case-by-case basis. These are typical acreage requirements to achieve minimum standards of production to qualify land under agricultural use given prudent management.

ROW CROP - Standard practices include but are not limited to: Shredding previous crop, tillage planting, fertilizing, apply herbicide, apply insecticide, maintained in a workman-like manner and harvest.

Typical Management Practices and Intensity for Non-Irrigated Dryland Corn, Milo, and Cotton

1. Typical row spacing in Guadalupe County ranges from 30" to 38".
2. Dryland corn, milo and cotton is planted at a rate of 17,000 to 25,000 seeds per acre.
3. A common planting practice is to plant insecticide treated seed or insecticide is laid in seedbed to prevent seed loss from insects such as fire ants.
4. Fertilizer is typically applied at a rate of 75-120 units of Nitrogen and 23-30 units of Phosphorus per acre. Liquid fertilizer is the most commonly used and is typically applied during planting.
5. Trace elements applied according to soil test, if needed.

Production Cycle for Conventional Dryland Corn, Milo, and Cotton

1. February – March

- Planting Period

2. April – May

- Cultivate at least once within this period. Herbicide is used to ready crop during this period.

3. August

- Harvest Period

4. October – January

- activities within this period are done in preparation for planting of the next crop. activities begin shortly after harvest with shredding/mulching of old crop stubble, followed by plowing with a disk plow. Additional plowing is done throughout this period when necessary and possible to control weeds and prepare the soil for planting. In some instances, rows are laid off and fertilizer is applied a few weeks prior to planting.

| Land Type | Seed Per Acre | Acres Needed to Qualify | Degree of Intensity |
|--------------------|----------------------|--------------------------------|----------------------------|
| IRRI. DRY CROP | 21,000 | 20 ACRES | 420,000 |
| NON-IRRI. DRY CROP | 21,000 | 20 ACRES | 420,000 |

Orchard Intensity Requirements



The following practices and typical acreages for the different land categories and intensity requirements are intended to be used as general guidelines. Exceptions to the general rule will be handled on a case-by-case basis. These are typical acreage requirements to achieve minimum standards of production to qualify land under agricultural use given prudent management.

ORCHARDS – Standard practices include but are not limited to: Weed control, water available for establishment, insect control, fertilizing, pruning, manage for and harvest.

Improved Orchard (Irrigated) – 5 Acres

Dryland Orchard (Non-Irrigated) – 5 Acres

Native Orchard – 5 Acres

Orchard Intensity / Orchard Units

The level of intensity for orchards is listed as number of trees.

Pecan Improved = 27 Trees Per Acre

Pecan Native = 27 Trees Per Acre

Fruit Trees = 60 Trees Per Acre

Orchard Requirement Formula: Minimum Intensity Requirement multiplied by acres required to support = Number of trees to meet intensity requirement.

| Land Type | Minimum Trees per Acre | Acres Required | Trees Needed to Meet Minimum Degree of Intensity |
|------------------|-------------------------------|-----------------------|---|
| IRR ORCH | 27 Native Pecan | 5 | 135 |
| IRR ORCH | 27 Improved Pecan | 5 | 135 |
| IRR ORCH | 60 Fruit Trees | 5 | 375 |
| DRY/NAT ORCH | 27 Native Pecan | 5 | 135 |
| DRY/NAT ORCH | 27 Improved Pecan | 5 | 135 |
| DRY/NAT ORCH | 60 Fruit Trees | 5 | 300 |

Ag Within City Limits

Land Located Within the Boundaries of a City or Town



Land within the boundaries of a city or town often will not qualify for special appraisal. Land located within an incorporated city or town must meet not only the criteria applicable to 1-d-1 land but also must meet one of the following additional criteria.

- The city or town must not provide the land with general services comparable to those provided in other parts of the city or town having similar features and population density.
- The land must have been devoted principally to agricultural use continuously for the preceding five years.
- The land has been devoted principally to agricultural use or to the production of timber or forest products continuously for the preceding five years and the land is used for wildlife management.

Roll-Back Procedures

ROLL-BACK PROCEDURES ON 1-D-1 LAND

The law imposes a roll-back tax on 1-d-1 land when the owner stops using it for agricultural purposes. This sanction is commonly called a roll-back because it recaptures the taxes that would have been paid had the property been taxed at market value for each year covered by the roll-back.

The property owner can trigger the roll-back by ending agricultural operations or diverting the property to a non-agricultural use. Selling the property does not trigger the 1-d-1 roll-back. If the property owner diverts only a portion of the land to a non-agricultural use, the roll-back applies only to the changed portion.

The Chief Appraiser determines if and when the change of use occurs and must send the property owner written notice of the determination. If the property owner does not protest the determination or the Appraisal Review Board decides the use of the property has changed, the Tax Assessor calculates the amount of additional tax due, and issues a roll-back tax bill.

WHAT QUALIFIES AS A CHANGE OF USE

A change of use is a physical change. The property owner must stop using the land for agricultural purposes. If the property owner continues to use the land for agricultural purposes but does not maintain or falls below the degree of intensity typical for the acreage needed to support their operation, the land may lose its eligibility for the agricultural special appraisal without incurring a roll-back.

WHO IS RESPONSIBLE FOR PAYING THE ROLL-BACK

The owner of the property at the time the change of use occurs is responsible for paying the roll-back. At times, this is a new owner who did not own the property for the prior three years, thus, never benefiting from the special agricultural use valuation. However, the deferred taxes follow and attach to the land, and do not follow the prior owner.

Additional information regarding roll-back tax can be found in the Texas Comptroller's Manual for the Appraisal of Agricultural Land.

Wildlife Management Use



These guidelines for Qualification of Agricultural Land in Wildlife Management Use will discuss the requirements that land must meet to qualify for wildlife management use, how to value this land, and each of the seven wildlife management activities mandated by state law.

- I. Land must be qualified for Chapter 23, Subchapter (1-d-1) Agricultural Appraisal at the time the owner changes use to wildlife management use. In other words, the property must have been qualified and appraised as agricultural land during the year prior to the year the owner changes to wildlife management use and the land must meet the minimum acreage requirement of 16.7 acres in size.
- II. Land must be used to generate a sustaining breeding, or wintering population of indigenous wild animals. An indigenous animal is a native animal that originated in or naturally migrates through an area and that is living naturally in that area as opposed to an exotic animal or one that has been introduced to the area (one that is native to Texas). (Contact the Texas Parks and Wildlife Department to determine if an animal species is considered indigenous).

The law requires an owner to propagate the wildlife population for human use. Human use may include food, medicine, or recreation. Land will not qualify unless the owner propagates the population of wild animals for a human purpose. These uses result in a product and require active participation.

- III. Is the land used for three or more of the following activities? Under the law, an owner must perform at least three of the seven wildlife management activities on the land. An

owner may qualify by doing more than three but may not engage in fewer than three of the activities. See the following:

- Habitat Control (Habitat Management)
- Erosion Control
- Predator Control (Predator Management)
- Providing Supplemental Supplies of Water
- Providing Supplemental Supplies of Food
- Providing Shelter
- Conduct Census Counts to Determine Population

For a thorough discussion of these components, please refer to the Texas Comptroller's "Guidelines for Qualification of Agricultural Land in Wildlife Management Use".

IV. Primary Use

The law requires agriculture to be the primary use of the land. Wildlife Management is an agricultural use under the law.

V. Degree of Intensity for Wildlife Management Use

Wildlife Management land usually requires a management of the land that encourages long-term maintenance of the population.

Facts that could aid in determining your qualifications for Wildlife Management Use:

RATIO FOR WILDLIFE MANAGEMENT USE

The Texas Administrative Code Title 34, Chapter 9, Subchapter G, Rule 9.2005 defines the process for calculating the percentage used in determining the wildlife use requirement. Guadalupe County is located in the Post Oak Savannah Region in which the percentage requirement is at least 92%, but no more than 94%.

**The following percentages were adopted by the Guadalupe Appraisal District Board of Directors on October 16th, 2003.

These percentages are not to be rounded either up or down. (Amended 2-16-2004)

1. 94% for Wildlife Use
2. 91% for Wildlife use for properties within a Wildlife Management Property Association.

3. 91% for Wildlife use for a property in an area designated by the Texas Parks and Wildlife Department as habitat for endangered species, a threatened species, or a candidate species for listing as threatened or endangered.

Below is an example of the formula to calculate the percentage. In the example we are using 16.7 total acres which is the minimum acreage to qualify for wildlife management. In this example, the property would qualify under rule 1, but may qualify under rule 2 and 3 if all other factors are met.

Example of Calculation

| | |
|---------------------------------|------------------------|
| Total Acreage | 16.7 Acres |
| Minus 1 Acre | <u>- 1 Acre</u> |
| Equals Remaining Acreage | 15.7 Acres |
| Divided By Total Acreage | 16.7 Acres |
| Equals the Percentage | 94% |

Wildlife Management Plan

**An active, written wildlife management plan that shows the owner is engaging in activities necessary to preserve a sustaining breeding population on the land. A plan is clear evidence of the owner's use of the land primarily for wildlife management. A good plan will usually list wildlife management activities with the appropriate season and/or sequence of events.

Management Practices

**Has the owner engaged in the wildlife management practices necessary to sustain and encourage the population?

NUMBER OF REQUIRED ACTIVITIES

**Because wildlife management activities are elements of the degree of intensity determination, an owner must be engaging in three (3) of the seven (7) activities to the degree of intensity typical for the area.

VI. Notifying the Chief Appraiser of the change to Wildlife Management Use

When an owner changes agricultural uses to wildlife management, the owner must notify the Chief Appraiser in writing before May 1st of the year the owner wants to qualify under wildlife management use. The Chief Appraiser will then determine if the land qualifies for wildlife management use. Likewise, an owner must notify the Chief Appraiser if the land is switched from wildlife management use to another qualifying agricultural use.

VII. Application

Two forms are required for submittal to Guadalupe CAD when applying for special valuation in wildlife management use. Texas Comptroller's Form 50-129 and Texas Parks & Wildlife's PWD 885, Wildlife Management Plan. In addition to these two required forms, supporting documentation such as maps, photos, planning grids and check points or goals for each tax year covered by the 5-year plan should be included.

After approval for the wildlife management, the submittal of an annual report indicating the accomplishments and/or barriers to completing the goal is required following the close of the previous tax year. Failure to submit an annual report, or one that adequately documents qualifying activities, may result in the removal of the wildlife designation on the property.

Additional information on wildlife management practices can be found on the Texas Parks and Wildlife website at <http://www.tpwd.tx.gov> under: lands/private lands/agricultural tax appraisal/post oak savannah and blackland prairie.