

CARSON COUNTY APPRAISAL DISTRICT
AGRICULTURAL APPRAISAL – FAQ's
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1) Are agricultural exemptions and agricultural appraisals the same thing? What is an agricultural exemption?

No, they are not the same thing. There seems to be some confusion regarding agricultural exemptions and agricultural special use appraisals and these phrases seem to be used interchangeably when in fact, they are totally different.

Agricultural appraisals - Application for 1-d-1 (Open-Space) Agricultural Use Appraisal is only available through this office. If the property qualifies under Chapter 23, Subchapter D of the Property Tax Code, then your land will receive a special agricultural appraisal. Taxes are calculated on the agricultural value instead of the market value.

Ag exemptions – Property Tax Code Sec 11.161: Machinery and equipment items that are used in the production of farm or ranch products or of timber, regardless of their primary design, are considered to be implements of husbandry and are exempt from ad valorem taxation. There is no application. Farm structures such as buildings, silos, sheds, etc., are not exempt from taxation.

Texas agricultural sales tax exemption – If you are in a qualified farm or ranch industry, certain items you purchase that are used in the production of agricultural and timber products are exempt from sales taxes. This is only available by application through the Texas Comptroller of Public Accounts. Please refer to their website: http://www.window.state.tx.us/taxinfo/agriculture/get_ready_texas.html

Applying and receiving the agricultural appraisal in this office does not have anything to do with receiving the Texas agricultural sales tax exemption. Our office does not issue a tax id number for the use of buying products for agricultural purposes.

2) How much land do I need to qualify?

The Carson County Appraisal District (CCAD) does not necessarily have minimum tract sizes to qualify, but rather minimum standards for what is typical for this county. For livestock, the land must be able to support a minimum of 3 animal units. The land must also meet the minimum stocking rates based on land type.

Cropland Grazing Sorghum Hay – 1 Animal Unit per 4 to 6 acres; Improved Grasses – 1 Animal Unit per 10 acres; Native Pasture – 1 Animal Unit per 25 - 30 acres. Wheat Pasture/Corn - 1 Animal Unit per 4 Acres/Dryland; Wheat Pasture/Corn- 1 Animal Unit per 2 Acres/Irrigated. For cropland, a minimum size field is 5 acres. Orchards and truck farms must be a minimum of 3 acres and usually in the business of producing crops which are sold commercially. For beekeeping/apiculture operations, the minimum is 5 acres and the maximum is 20 acres.

3) What is an animal unit?

An animal unit (AU) is a standard for comparing diverse types of livestock. It equals 1,000 pounds of live weight.

1 cow or cow & calf pair = 1 AU

6 Spanish Goats (Nanny) = 1 AU

5 Domestic Sheep (Ewe) = 1 AU

An animal unit month (AUM) is the amount of forage or feed required to maintain one animal unit for a period of 30 days and are used as comparison factors in the appraisal of pasture lands.

4) How can I qualify my land for the agricultural appraisal?

The land must be currently devoted principally to agricultural use. The land must meet the minimum size test standards as defined in the CCAD's Agricultural Intensity Standards. The land must be devoted to an agricultural use to the degree of intensity that is typical in this area. The land must have been used principally for agriculture for five out of the preceding seven years. If the land is located within the corporate limits of a city, then it must have been used principally for agriculture for the five preceding years. The property owner must file an Application for 1-d-1 (Open-Space) Agricultural Use Appraisal.

5) I received this agricultural application in the mail. Why? Do I have to complete this application?

If a property currently has an agricultural appraisal, the CCAD makes an effort to mail an application for a new agricultural appraisal application if the property owner acquired property that also has an agricultural appraisal; sold a portion of their property; and any other type of name change or ownership change. The CCAD is not required to mail the applications, but makes an effort to do so out of courtesy to the taxpayers. You may also receive the application because the appraiser needs to know how you qualify or notices a change in your farm and ranch practices. You may have gotten the application because the chief appraiser is requesting an update.

If you are still using the property for agricultural purposes, then you must complete the application and submit it to the CCAD on or before April 30 to continue to receive this special use appraisal. If it is not completed, the land will lose this special use appraisal and be assessed at market value. If the form is returned and approved after April 30 but before certification of the appraisal roll (sometime in July), then the property will receive a penalty equal to 10% of the tax savings resulting from the agricultural appraisal.

6) I have a garden and a few fruit trees behind my house and I sometimes sell my harvests at the Farmer's Market. Why won't you grant the agricultural appraisal on my tract?

According to the statute, land must be devoted principally to an agricultural use. If the land is used for more than one purpose, the most important or primary use must be agriculture to qualify. Pleasure gardening isn't the principal use of residential land. The tract must also meet our minimum tract size standard of 3 acres and be used to the degree of intensity typical for this county.

7) I have horses. Can my land qualify?

CCAD's policy on horse operations is limited to breeding operations. A breeding operation involves having brood mares and either a stud (stallion) on location or using artificial insemination for breeding the mares. Typical pastures are of the improved variety

such as coastal Bermuda grass. At least 3 head of breeding age mares are required to be considered a typical horse breeding operation and must meet the minimum stocking rate based on land type. Donkeys, mules and burros are also included under horse operations and have the same guidelines. Miniature or dwarf horses also fall under the same guidelines but do not follow the same animal unit basis.

8) I am using the property for agricultural purposes, but my house and barn are not receiving this ag appraisal. Why?

Agricultural appraisal applies only to land. It does not apply to the improvements. (i.e. houses and structures such as barns, sheds, silos, storages buildings, etc.) The land beneath the agricultural improvements does qualify for the special appraisal if it is used in connection with the agricultural operation. The land beneath homes or human habitats does not qualify for this special appraisal.

9) Do I have to own the animals to qualify?

No. As long as your land is being primarily used for agricultural use, it can still qualify. You can lease your land to someone who will operate your land for agricultural use. It is your responsibility to see that the owner of the animals is using your land to the degree intensity required to keep the agricultural appraisal.

10) I lease my land for hunting? Can I get an ag appraisal?

No. Hunting does not qualify the land and is not considered an agricultural activity.

11) Can I hunt on my ag land or lease my land for hunting and keep my ag appraisal?

As long as your land is primarily used for agricultural purposes to the degree of intensity required by this county for the majority of the year and hunting is a secondary use, not the primary use, then you can keep receiving this special appraisal.

12) I let wild deer graze my land; does my land qualify?

No. Permitting wild deer to eat natural vegetation is not an agricultural use.

13) I manage my land for whitetail deer (or other native wildlife); does my land qualify?

Maybe. Please see CCAD's policy on wildlife management. If you meet the criteria, you must complete a Wildlife Management application along with a new Application for 1-d-1 Agricultural Use when converting from traditional agriculture to wildlife management.

14) Which is cheaper, traditional ag use land or wildlife management land?

Neither. The values for both are calculated using the same agricultural land value tables and are based on ag land type.

15) I have axis deer and blackbucks, why can't I apply for wildlife management?

Wildlife management is for land devoted to managing indigenous wildlife. Having or raising exotics on your land does not meet the qualifications of wildlife management. Exotics are not considered for wildlife management. Under the right circumstances, they can be considered under the traditional 1-d-1 agricultural appraisal.

16) I own 50 acres. I have no animals. I plant 25 acres of crops. Can I have the ag appraisal?

Only the 25 acres of cropland qualifies. The other 25 acres must be used and principally devoted to an agricultural activity to qualify.

17) My land was not previously in agricultural use, but now I have qualifying animals (or cropland); can I have the ag appraisal now?

No. According to state law, the land must have been used for five years out of the past seven previous years for agricultural production (or the preceding five years if located in the corporate city limits). You need to fill out an ag application (Application for 1-d-1 Agricultural Use Appraisal) so that we know your intent to convert this land to agricultural use. We highly encourage you to fill out an application every year until this time period test is over and you start receiving the agricultural appraisal. This gives the appraiser time to inspect your property and visit with you regarding your agricultural activities and any changes to state law or local policy. You may have to prove that your land was used the previous 5 out of 7 years if the appraiser has not confirmed or verified the agricultural activity on your land. This can be done with receipts, affidavits, etc. Please visit the CCAD for more information.

18) What is an agricultural rollback tax?

When land no longer qualifies for ag-use, the taxing unit assesses taxes for (up to) the preceding five years. The additional tax is the difference between the amount of tax imposed (the tax on the ag land) and the amount that would have been imposed if the land had been appraised at full market value, plus interest. Interest accrues from the date the taxes were due in each of the rollback years. The interest rate is 7% annually.

The ag rollback tax is usually triggered when all or part of your land no longer qualifies. For example, you change part of your land to a commercial or residential use or you subdivide (or develop) the land in parcels too small to justify the land to continue receiving the agricultural appraisal.

If you have a vacant tract of land receiving the agricultural appraisal and you continue the agricultural appraisal, you are allowed to build or place a home on the tract and no ag rollback tax will be triggered. If you acquire a tract of land that is currently receiving the agricultural appraisal and immediately start to build or place a home on the property before you qualify the land for agricultural use, then a rollback tax will be triggered on part of your land. If the qualifying ag land already has a home on the land and you build or place a second home on the land, then a rollback tax will be triggered on part of your land.

HELP! I DON'T UNDERSTAND FORM!! – A STEP BY STEP GUIDE TO FILLING OUT THE *APPLICATION FOR 1-D-1 AGRICULTURAL USE APPRAISAL*

NOTE: These are instructions for filling out the application in Carson County. If you are filling out the form in a different county, then it is possible that the other county may require a slightly different format. Their qualifications and land categories will probably be different and there could be additional questions to answer on their form. Please check with that county for their ag guidelines before filling out the application.

Page 1: Indicate the year that we are requesting the form or the year that you are applying for this special appraisal. We usually have this filled in when we mail the form to you. If not sure, you can always put the year that you are actually filling in the form.

Did you own the property on January 1 of the application tax year? Indicate “yes” if you owned the property on January 1 or “no” if you did not own the property on January 1.

Section 1 Page 2: Check the box that best describes the owner. A married couple owning property is considered an individual ownership.

Provide the actual name of the legal owner or owners.

Provide one of the following: driver's license #, State ID #, Social Security number or Federal Tax ID number. If owned by more than one individual, please provide the information for the one filling out the form or indicate which individual the identification belongs. Partnerships and Corporations must provide the Federal Tax ID number.

For individuals, please list the birthday for each owner. Be sure to indicate which birthday belongs to each individual. Failure to fill in the birthday does not affect your eligibility of this special appraisal. Ownership by companies or corporations are not required to indicate birthday information.

Provide your physical address. This is the actual address of the owner or applicant.

It is very important to provide a phone number. That will make it more convenient to contact you in case we have a question about your application or need to make arrangements to inspect the property. It is really helpful to indicate beside the number if this is a cell, home or business number.

Provide an email address. Not required but is very helpful if we are unable to reach you by phone.

Provide your actual mailing address if different than your physical address. If you indicate an address that is different than what we have on record, your address will be changed to what you show on the form. Do not put the property address unless it is your mailing address. Use the mailing address that you would like all property tax correspondence to be mailed from this office.

Section 2 Page 2: Individual owners skip this section and go on to Section 3!

All other types of owners and individuals providing representation for an individual property owner, must complete this section. Examples: Companies, corporations, Limited Partnerships, Trusts, Power-of-Attorneys, Executors of Estates, Attorneys, Tax Agents, managers

Section 3 Page 2: We usually provide the legal description, account number and acreage on the form sent to you. You can obtain this information on your tax statement, appraisal notice, or by looking it up on our website. If your property is listed with more than one account, then you can list all the accounts as long as the properties adjoin each other. If tracts are separated by a road, or have separate ownership, then separate applications will be required.

Section 4 Page 3 Question 1: If you did not own the property on January 1, then you will answer “yes”. If the ownership is changed because you are the surviving spouse or changed your property to allow a life estate, then you will answer “no”. If you were the January 1 owner last year, then you will answer “no”. If you are an individual and the ownership changed because you put it in a business, corporate name or trust then answer “yes” because that business, corporation or trust did not own the property on January 1.

Question 2: If the property received an agricultural appraisal last year, then answer “yes”. If the property did not have an agricultural appraisal last year, then the answer is “no”.

Since this is not a yearly application, CCAD requires EVERYONE to complete Section 5.

Question 3: Is this property located in the corporate city limits? CCAD has four cities which are Panhandle, White Deer, Groom, and Skellytown. If the tax statement or appraisal notice indicates a city tax, then answer “yes”. If even a portion overlaps into the city, then answer “yes”. If the property is in the corporate city limits, then there are slightly different standards.

A property located in the city cannot remain idle for the majority of any year. If the property is not used the majority of every year, then the property cannot receive this appraisal. Also, city ordinances and/or subdivision restrictions may keep a property from meeting the minimum standards required by this office, especially in regard to the number of animals allowed within the area.

If the tract is small (usually under 10 acres) and/or has a residence on the property, then it is highly probable that your application will be denied. If the tract adjoins a larger tract located outside the city limits that is receiving this special ag appraisal, then it is probable that it will be allowed, especially if there is not a residence or it is a larger tract of land.

Section 5 Page 3 Line 1: This is the place where you list each year of use, how it was used and the tract size used for ag purposes. This shows CCAD the agricultural history of the property. The current year must be shown along with a minimum of 5 years of use. The law states that the property must be used a minimum of 5 out of 7 years to qualify. (Properties in the corporate city limits must have been used every year.)

Putting phrases such as same as previous owner, same as last year, the same since 1970, the same as when grandpa had it, etc. is not allowed. If you are a new owner and you don't know the history, then you will need to contact the previous owner to find out how the property was used. Sometimes this office can help if we have a fairly recent application on file from the previous owner or have notes from previous property inspections, but not always.

Current Year is the year you are filling in the application. Put what you or the person who leases it from you, have on the property.

1 is last year, 2 is the year before the last, etc. – New owners will need to get in touch with previous owner to fill this in.

The form is asking about the category of land rather than the use of the land. We do not put as much weight in listing the category as we do in the actual use. But if you are really concerned with listing the category, then here are the descriptions we use in Carson County.

Native pasture – Land that is not cleared. Land is mostly covered in brush or native trees.
Improved pasture – This is land that is primarily cleared or open. Very little brush or few trees.

Dry Cropland – This is land that is or has been plowed and the crop planted is harvested. Usually small grains or hay. This can also include permanent grass such as Coastal Bermuda or Klein grass.

Irrigated Cropland – Land that is watered for crops.

Orchard – Land that has fruit or pecan trees planted in a grid pattern.

We do not have timber in Carson County, so do not indicate that use.

Do not use words such as “crops” or “livestock” as the use. Be more specific cattle, hay, oats, etc.

Here is an example:

Year:	Category/Use:	Acres:
2018	Native – Cattle	100
2017	Idle	100
2016	Native/Improved – Goats	75/25
2015	Native/Improved – Cattle	75/25
2014	Native/Improved – Cattle	75/25
2013	Idle	100
2012	Native/Dry crop – Cattle/Sorghum Hay	75/25

You will not be denied if you do not show the category. We must have the actual use shown in the current year and at least 5 out of 7 of the previous years.

Line 2 (a) Page 4: If this is native or improved pasture you must show a livestock – be specific. What type of livestock do you have? How many acres of this property does the

livestock graze? If access to the whole property, then indicate the entire tract. No need to subtract out stock ponds or fence rows. If you don't have livestock, but grow crops, then you may skip 2(a) and 2 (b) and go to line 3.

Line 2 (b) Page 4: What type of livestock and how many head are usually found on this place? It says raised, but that does not mean how many are born. We know that this number can vary because of births, losses, sales, etc. Listing a range is acceptable. When an appraiser from this office comes out to inspect your place, about how many head will they see?

Line 3 Page 4: List each type of crop grown and the number of acres devoted to that crop. Include permanent grasses. If you do not have any crop, then skip this line.

Line 4 Page 4: If this land or a portion of this land is idle because you are in a governmental program, then you will need to list the name of the program and the number of acres in the program. You will need to attach a copy of the contract to the application. That way we will have the year the land will be going out of the program. You will need to qualify your land at the end of the program and fill out a new agricultural application at that time.

Line 5 Page 4: List any non-agricultural uses. Usually this line is used to indicate each non-agricultural structure and the number of acres used for each structure. For example, if there is a home on the land, then you can claim up to 20 acres for your home for property tax homestead purposes. CCAD has a 1 acre minimum policy for each residence or commercial structure on the property. The yard for the residential structure and the road from the public road to that residential structure is considered non-agricultural. The land is not surveyed by this office, but is estimated and rounded to the nearest acre for tax purposes. Commercial business use should also be indicated. Other examples are leased areas for tower sites, hunting camps, quarry areas, and any other non-agricultural uses of the land.

Section 6 Page 4 and 5: If you have indicated that this land is used for traditional farming or ranching activities in Section 5 then skip this page. If you indicated that you use this land for a specific native wildlife species, then this must be answered completely. You will also need to include the appropriate Texas Parks and Wildlife application and submit the proper supporting documentation. If you listed that this is a threatened or endangered species area, then you will also need to include a copy of your permit from the Texas Parks and Wildlife Department. Answering "yes" to questions 5-8, will require some type of proof or documentation.

Section 7 Page 5: Question 1 is always "No" in Carson County. We have no timber production. Cutting or harvesting the mesquites on your place is not timber production. Question 2 is not necessary to answer, but should be "yes" if you do answer it. We do require Section 5 to be completed.

Section 8 Page 6: Print your name legibly. Sign your name. Use your legal name and signature. If the property is owned by more than one individual, not everyone has to sign this form. Usually it is best to have the main contact person or the one who is going to

be responsible to see that the land is used for agricultural purposes to sign the form. If you are not an individual owner, make sure Section 2 is completed.

Date the application. Use the date that you sign the form.

If you have any other questions, please feel free to contact this office. The agricultural appraiser is Beverly Casselberry. You may reach her at 806 537-3569 or email her at beverlycasselberry@windstream.net. During the months of January through April, the best time to contact her is between 8:00-9:00 a.m. Monday through Friday.