

For Immediate Release

Productivity Appraisal Reduces Property Taxes on Farms and Ranches

Farmers and ranchers may be eligible for property tax relief on their land. They may apply to the Fayette County Appraisal District for agricultural productivity appraisal (1-d-1), a lower appraisal of their land based on what it will produce, rather than what it would sell for on the open market.

To qualify, the owner must use the land for agriculture or growing timber. The land's use in a qualifying agricultural or timber purpose must meet the degree of intensity generally accepted in the area. Owners must show that the land has been devoted principally to the qualifying use for at least five of the preceding seven years.

The law provides penalties, in the form of a rollback tax, for taking qualified land out of agriculture or timber production. The rollback tax is the difference between the taxes paid under productivity appraisal and the taxes that would have been paid if the land had been put on the tax roll at market value. Rollback taxes are based on the five tax years preceding the year of the change. Fayette County Appraisal District does not assess a rollback tax for property taken out of agricultural use to build a home.

The law also allows a property owner to use land for wildlife management and still receive the special appraisal, if the land qualified for agriculture use in the preceding year. Land under wildlife management must meet acreage size requirements and special use qualifications.

The deadline to apply for productivity appraisal is April 30, however since this day is a Saturday; the deadline will be extended to May 2, 2011. Owners of land qualified as 1-d-1 need not file again in later years unless the chief appraiser requests a new application. However, if you own property in La Grange Independent School District, you must file a new form for 2011.

For more information about productivity appraisal and application forms, contact the Fayette County Appraisal District at (979) 968-8383. Information is also available on the district's website at www.fayettecad.org. Applications may also be printed from the website.

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