

DOES YOUR LAND STILL QUALIFY FOR 1-D-1 AG VALUE?

Section 23.51 (2) Property Tax Code, defines the term "agricultural use" as including the following activities:

- Cultivating the soil.
- Producing crops for human food, animal feed, or planting seed or for the production of fibers.
- Floriculture. Floriculture is the cultivation and management of ornamental and flowering plants.
- Viticulture. Viticulture is the cultivation of grapes.
- Horticulture. Horticulture is the cultivation of fruits, vegetables, flowers, herbs, or other plants.
- Raising or keeping livestock. "Livestock" means a domesticated animal that derives its primary nourishment from vegetation, supplemented as necessary with commercial feed. Livestock includes meat or dairy cattle, horses, goats, swine, poultry, and sheep. Wild animals are not livestock.
- Raising exotic game for commercial use. Exotic game means a cloven-hoofed ruminant mammal that is not native to Texas and is not "livestock." Raising such game may qualify, but must meet the primary use test .
- Participation in a government program and normal crop rotation. Land left idle to participate in a government program is used for agriculture. Land left idle for crop rotation qualifies until it is left idle for longer than the crop rotation period typical for the crop in the area.

This section will explain each eligibility requirement for chief appraisers and property owners. Brief descriptions of each requirement appear below:

- Agricultural appraisal applies to the land and not to other property that may be connected with the land.
- The land must be currently devoted principally to agricultural use.
- The land must be devoted to an agricultural use to the degree of intensity that is typical in the area.
- The land must have been used principally for agriculture or timber production for any five of the preceding seven years.
- Land owned by a foreigner is ineligible for agricultural appraisal. Land inside city limits has more stringent qualification requirements and may be ineligible. Property owners may waive the right to 1-d-1 appraisal.
- Land used as an ecological laboratory may qualify for agricultural appraisal.
- The property owner must file a valid application form.

You must notify the chief appraiser in writing if you: stop using your property for agriculture (*e.g. you voluntarily decide to stop farming*); change the category of your use (*e.g., you change from dry cropland to irrigated cropland*), change the level of your use (*e.g., you substantially increase or decrease the number of cattle you raise*); change the nature of your use (*e.g., you switch from growing corn to growing ornamental plants*); enter, leave, or change governmental programs (*e.g. you put 100 acres in CRP*); or you begin using your land for something other than agriculture (*e.g., you build a shopping center on most of your land*). You must deliver this notice no later than April 30 following the change in use or eligibility.

If your land receives agricultural appraisal and you fail to notify the chief appraiser of a change in agricultural use, you may be required to pay a penalty. You will be required to pay a substantial additional tax plus interest if you stop using all or part of the property for agriculture.

Under Section 37.10, Texas Penal Code, if you make a false statement on the Ag application, you could receive a jail term of up to 1 year and a fine of up to \$2000, or a prison term of 2 to 10 years and a fine of up to \$5,000.

If the chief appraiser has determined that the 1-d-1 qualified property described is not used for agriculture or the production of timber, so that the property no longer qualifies for the 1-d-1 appraisal, the property will be taxed on its market value beginning with the next tax year.