

# **Agricultural Adjustments**

## **Rule 71.3(1)**

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**ISAC Fall School**

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Iowa Department of  
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# 71.3 Agricultural Adjustments

## Rule 71.3(1)

- How did we get here?
- Taxpayers
- Informal & Formal Committees
- Compromise rule 71.3(1)



# 71.3 Agricultural Adjustments

## Rule 71.3(1)

June 2013 Noticed Rule 71.3(1) was enacted:

<http://search.legis.state.ia.us/nxt/gateway.dll/ic?f=templates&fn=default.htm>

Distribution of Productivity Value to Parcels  
Adjustment to Non-Cropland CSR's



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# Iowa Manual Defining Cropland

## 1. Cropland

- a. Land that at some time has been in production and is capable of crop production
- b. Land currently enrolled in an active conservation reserve program receiving payments for land that was once in crop production
- c. Land that consists of manmade grass waterways or crossable waterways and is capable of crop production
- d. Land that consists of manmade terraces, buffer strips, or similar manmade objects that are capable of crop production
- e. Tillable pasture
- f. vineyards



# Iowa Manual Defining Non-cropland

## 2. Non-cropland:

- a. Forested land
- b. Dedicated ponds and dam area (not occasional ponding water in a field area)
- c. Land that is under permanent easements that precludes any type of crop production
- d. Permanent pasture
- e. Non-crossable waterways
- f. Building sites including driveways or maintained access roads
- g. Other land which cannot be cropped due to access limitations, or land cover which would limit the ability to be cropped



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## Rule 71.3(1)

### Land Use Layer

- FSA Map
  - <http://www.iowa.gov/tax/locgov/FSAMapFiles.pdf>
- NAIP Aerial Photography
- **Soils Layer**
  - **Requires Most Current**
- Review and revise





# 71.3 Agricultural Adjustments

## Rule 71.3(1)

- \* RULE REQUIRES: “the assessor shall adjust non-cropland”
- \* Adjust “high” CSR’s for non-cropland
- \* CSR Points that are greater than 50% Average Cropland CSR
- \* Adjustment is the Cash Rent Differential between non-irrigated cropland and pasture



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## Rule 71.3(1)

### Example from Rule

Average county cropland CSR	80 CSR
50% of average cropland CSR	40%
Example of non-cropland soil 11b CSR rating	58 CSR
Non-cropland CSR points to be adjusted	$58 - 40 = 18$ points
5 year average rent for non-irrigated cropland	\$163.60
5 year average rent for pasture land	\$48.50
Percent difference rounded	$1 - (\$48.50 / \$163.60) = 70\%$
Apply the percent difference to point to be adjusted	$18 \text{ CSR} * (1 - .70) = 5.40$ points
Adjusted CSR non-cropland	$40 + 5.40 = 45.40$ adjusted CSR





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## Rule 71.3(1)

- \* Cannot adjust beyond the rule.
- \* Except PAAB or District court rulings



# Questions?

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