

Kaufman County Appraisal District

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(Referenced)
Texas Property Tax Code
Section 23.51

Guidelines to Qualify for 1-d-1 Open Space Land Appraisal Wildlife Management Beekeeping

Revised February 12, 2016

Dear Property Owner:

The Texas Constitution permits agricultural productivity appraisal only if the land and its owner meet specific requirements as defined by Section 23.51 of the Property Tax Code standards for open space productivity use. Land does not qualify simply because it is vacant, rural, or has some connection with agriculture.

The Tax Code defines agricultural use as follows: “agricultural use includes but is not limited to the following activities: cultivating the soil, producing crops for human food, animal feed or planting seed or for the production of fibers: floriculture, viticulture, and horticulture: raising or keeping livestock: raising or keeping exotic animals for the production of human food or of fiber, leather, pelts or other tangible products having a commercial value: and planting cover crops or leaving land idle for the purpose of participating in any governmental program or normal crop or livestock rotation procedure and wildlife management.

The Comptroller’s manual for agricultural appraisal notes that production of any commercially valuable livestock, fish, or poultry product probably constitutes agricultural use as well.

The Texas Property Tax, “Manual for the Appraisal of Agriculture Land” (Texas Comptroller of Public Accounts), and Section 23.51 of the Texas Property Tax Code set standards for determining whether land qualifies for a special use valuation for open space agriculture land.

“Open Space Qualified land”...is currently and actively devoted principally to production of agricultural products to the degree of intensity generally accepted in the area **with intent to produce income** and has been devoted principally to production of **agricultural products...for five (5) of the preceding seven (7) years...**

The definition encompasses several key qualifying factors that both the land and the landowner must meet:

1. The land must be currently and actively devoted to agricultural use.
2. The land must be used principally for agricultural use.
3. The land must be devoted to an agricultural use to the degree and intensity that is typical in an area.
4. The owner must have intent to produce income.
5. Land must have been used principally for agricultural use for any five (5) of the preceding seven (7) years.
6. The property owner must file a timely and valid application.

Current and Active Devotion to Agricultural Use

Currently devoted to agriculture means that a qualifying agricultural use is evident as of January 1 of the tax year...According to the Texas Property Tax Manual for the Appraisal for Agricultural Land, The Texas Comptroller of Public Accounts, April 1990. Page 9, "The land must be currently devoted to agricultural use. The land must qualify on January 1st..."

The land must stay in a qualifying use throughout the year. The agriculture valuation can be removed at any time due to non-compliance. This is a productivity value and therefore the property needs to be producing either livestock, livestock offspring or crops. Simply maintaining livestock will not qualify the property.

Agricultural Production Must be the Land's Primary Use

Land that is currently and actively devoted to agricultural production will not qualify for productivity appraisal unless agricultural production is the land's primary use. If the owner used the land for more than one purpose, the most important or primary use must be agriculture.

Primary Uses (Non-Qualifying)

Here are some examples of Non-Qualifying Primary Uses:

- Pleasure and/or personal use gardening.
- Exotic game primarily used for hunting.
- Land used primarily to train, show, or race horses, to ride horses for recreation, to keep or use horses in some manner that is not strictly incidental to breeding horses.
- Processing of plants and animals.
- Processing constitutes any activities that take place after the crop or animal has been raised and harvested and any activity a non-producer carries out on agricultural products. Processing begins at the first level of trade beyond production. Processing begins when activities occur that enhance the value of primary agricultural products.
- Personal consumption of crops or livestock produced by owner.
- Raising cattle, horses, goats or sheep for FFA and 4H projects.
- Token agricultural use which occurs to obtain tax relief.

Degree of Intensity Test

Intensity of agricultural production is the central issue or standard of agricultural use qualification.

The law does not state what degree of intensity qualifies a particular type of land. In a state as large as Texas, no statutory definition could cover all the possible agricultural uses. The Chief Appraiser is responsible for setting the degree of intensity standards for the types of agriculture production in the area, with the assistance of the Agricultural Advisory Board.

To qualify for agricultural productivity appraisal, land must be used to the degree of intensity generally accepted in the area and to the extent that is typical for similar operations in the area. The degree of intensity test is intended to exclude from productivity appraisal land on which token agricultural activity occurs simply to get tax relief.

In most cases, property owners must prove that they are following the common production steps for their type of operation and using typical amounts of labor, management, and investment.

Intent to Produce Income

The owner must use the land with the intent to produce income. Like the degree of intensity test, this test excludes those owners who are not using the land for agriculture to produce income and who are trying to use productivity appraisal to avoid paying property taxes on the land's market value. Whether or not the owner has the intent to produce income is determined by the Chief Appraiser.

Historical Use Requirement

Land used primarily for agriculture for five (5) of the previous seven (7) years may qualify for agricultural productivity appraisal. This historical use attaches to the land.

In order to build a history an owner must be engaged in an appropriate agricultural activity for a five (5) year period. The owner will file in the sixth (6) year and if the requirements have been met during the preceding five (5) years, then the property will be eligible to receive the agricultural valuation.

Improvements

- Agricultural value applies only to the land and not to the improvements. (structures on the land, minerals, or agricultural products)
- The land beneath farm buildings and other agricultural improvements does qualify due to their use in connection with the agricultural process.

Products of agricultural operations

- Products in the hand of the producer are generally exempt from taxation. See Texas Property Tax Code, Section 11.16
- Farm and ranch equipment designed and used primarily for agricultural/husbandry activities are also exempt. See Texas Property Tax Code, Section 11.161

Appurtenances

- Appurtenances to the land (canal, water wells, roads, stock tanks, and other similar reshaping of the soil) are included in the value of the land and not appraised separately.

Native Pasture is defined as those pastures that have native vegetation, with minimal improvements.

Improved Pasture is defined as those pastures, with native and improved vegetation, that have had improvements made to them including but not limited to fertilizer application, weed and brush control (mechanical or chemical) or over seeding with winter grass.

Wasteland (WL) – Barren or desolate land is looked upon on a case by case basis.

Hay Production – Standard practices: tillage, fertilizing, cutting, bailing, hauling, feeding or marketing. In normal years, 2-3 cuttings, can be achieved. Hay production should be approximately 3,000 lbs. per acre. The hay must be a marketable product. The cutting and bailing of unmanaged vegetation are not considered hay production.

Commercial Fish differs from keeping fish for purely sporting or recreational purposes. This difference is not necessarily related to the scale of the operation, nor is it related to any intent to produce income or make a profit. Raising fish is a qualified agricultural land use when all elements of a bulk harvest are present. Taking fish by individual line is clearly a recreational activity.

Beekeeping – Effective January 12, 2012, The Texas Legislature added another agricultural use for the purpose of open space land appraisal which is “the use of land to raise or keep bees for pollination or for the production of human food or other tangible products having a commercial value, provided that the land used is not less than five (5) acres or more than twenty (20) acres.” (see **attached Guidelines for Bee Production.**)

The information collected below and on the following pages was a result of on-site inspections of agricultural property in Kaufman County and meeting with the Agricultural Advisory Board. The purpose of this information is to help establish typical guidelines and/or intensity levels.

All application approvals will be on a case by case basis.

Kaufman County Appraisal District Agriculture Land Guidelines – Typical Levels

Cattle

Native/Improved Pasture

Must be Fenced

Water Source

1. Minimum of ten (10) acres designated for grazing.
2. Cattle must have open space for grazing and must have enough grass/water source to support at least four (4) head of cattle.
3. At least four (4) head of reproducing cows. (i.e. one (1) bull and three (3) cows.
4. Larger tracts should have one (1) cow for every additional five (5) to eight (8) acres.

Horses

Native/Improved Pasture

Must be Fenced

Water Source

1. Minimum of ten (10) acres designated for grazing.
2. Horses must have adequate grass for grazing.
3. Breeding operations only with a minimum for four (4) reproducing mares.
4. Provide proof of sale of offspring and breeding reports.
5. Typically, operations set up strictly for boarding, training and showing of horses do not support an agricultural purpose.

Goats

Native/Improved Pasture

Must be Fenced

Water Source

1. Minimum of ten (10) acres designated for grazing.
2. Land can be partially wooded but must have enough grasses and other food sources to support twenty (20) goats per ten (10) acres.
3. A minimum of twenty (20) reproducing nannies.
4. Proof of sale of offspring and not strictly for sale as show animals.

Sheep

Native/Improved Pasture

Must be Fenced

Water Source

1. Minimum of ten (10) acres designated for grazing.
2. Land can be partially wooded but must have enough grasses and other food sources to support twenty (20) sheep per ten (10) acres.
3. A minimum of twenty (20) reproducing ewes.
4. Proof of sale of offspring.
5. Sheep operation should be raising sheep for wool, mutton, or sale as livestock and not strictly for sale as show animals.

Hay Field

1. Minimum of fifteen (15) acres designated for hay production.
2. Typically, proof of two (2) cutting in years of normal rainfall.
3. Land should be fertilized heavily at first of year (150-300 lbs. per acre) and top dressed later as needed.
4. There should be no animals on a hay field during growing season. Animals may be wintered on hay fields.

Orchard/Vineyard

1. Minimum of ten (10) acres designated for orchard/vineyard.
2. Fruit trees are one hundred (100) trees per acre on non-irrigated land and one hundred twenty (120) trees per acre on irrigated land.
3. Pecan trees are twenty (20) trees per acre.

Truck Farms/Vegetable/Horticulture

1. Minimum of ten (10) acres designated to truck farms/vegetable/horticulture.
2. Proof of produce sold wholesale to the public.

Christmas Tree Farm

1. Minimum of ten (10) acres designated for growing Christmas trees.
2. Yearly trimming required.
3. Four hundred (400) trees per acre.

Catfish Farm

1. Minimum of ten (10) acres designated to catfish farm.
2. Record of sales.

Dry Crop/Irrigated Crop

1. Minimum of fifteen (15) acres designed to crop.

Wildlife Management Guidelines

1. Land must have been qualified and appraised as open space agriculture land or as timber land in the year prior to conversion to wildlife management use.
2. The primary use of the land must be for managing wildlife.
3. Actively using land to propagate a sustaining breeding, migrating, or wintering population of indigenous wild animals for human use, including food, medicine, or recreation.
4. Must submit an application and a management plan between January 1st and April 30th of the tax year.
5. Management plan must be submitted on the Texas Parks and Wildlife form, "PWD 885-W7000."
6. A minimum of 16.6 acres designated to wildlife management is required.
7. Must perform at least three (3) of the following seven (7) management practices each year.
 - a. Habitat Control
 - b. Erosion Control
 - c. Predator Control
 - d. Provide Supplemental Water
 - e. Provide Supplemental Food
 - f. Provide Shelter
 - g. Conduct Census Counts to Determine Population

The Chief Appraiser will require an annual report each of the following years on the Texas Parks and Wildlife form "PWD-888-W7000" describing how the management plan was implemented during the year.

Additional information on Wildlife Management Appraisal titled "Guidelines for Qualifications of Agricultural Land in Wildlife Management Use" may be obtained on the Texas Comptroller of Public Accounts website: <http://www.window.state.tx.us/>

Beekeeping Guidelines

Effective January 1, 2012, the Texas Legislature added another agricultural use for purpose of open-space land appraisal. Tax Code Section 23.51 (2) was amended to include the definition of agricultural use “the use of land to raise or keep bees for pollination or for the production of human food or other tangible products having a commercial value, provided that the land used is not less than five (5) or more than twenty (20) acres.”

This provision permits the owner to raise or keep bees for two purposes: (1) pollination or (2) the production of human food or products that have commercial value.

The minimum degree of intensity was established using Section 131.001 Texas Agricultural Code’s definition of an apiary as a place where six (6) or more colonies of bees or nuclei of bees are kept. A colony is the hive and its equipment and appurtenances including bees, comb, honey, pollen and brood.

Kaufman County’s minimum degree of intensity standard is set at five (5) acres and six (6) colonies.

For each additional 1.5 acres on additional hive is required.

Number of Acres	Number of Hives
5	6
6.5	7
8	8
9.5	9
11	10
12.5	11
14	12
15.5	13
17	14
18.5	15
20	16

- When a property owner initially seeks qualification for agricultural use appraisal for beekeeping, they must show proof of history of agricultural use on the land for five (5) out of the preceding seven (7) years.
- Acreage with a Homestead Exemption cannot be considered for agricultural history or agricultural appraisal.

- KCAD will require copies of: Registration of the Apiary, Certificate of Inspection, Branding information, and export, import or intra-state permits as required by the Texas Apiary Inspection Service.
- The property owner should draw a landscape plan of the property and indicate how different plants and plantings (fruit trees, shrubs, vines, flowers, clover, buckwheat, vetch, etc.) contribute to bee foraging.
- The hives must be located on the property for at least seven (7) months of the year.
- The hives must be maintained and kept alive.
- The agriculture productivity value for land used for beekeeping will be the same as the agriculture productivity value for orchard/vineyard land.

ITEMS OF USE

- Bee suit
- Purchase of boxes
- Purchase of bees
- Queen bee
- Purchase of sugar in large quantities
- Planting of flowers (seeds)
- Receipts for sale of honey or related products such as beeswax, candles, soaps etc.