

Summary of Changes to the Classified Use Real Property Guidelines

Current Title/Subtitle:

CLASSIFIED USE REAL PROPERTY GUIDELINES
STANDARD ASSESSMENT PROCEDURES AND STANDARD MEASURES OF VALUE
AGRICULTURAL GUIDELINE

Proposed New Title:

Florida Agricultural Classified Use
Real Property Appraisal Guidelines

Proposed Updates: The proposed guidelines are being amended to remove obsolete language, update the capitalization methodology utilized, revise content to current best practices, and reformat the guidelines for clarity. Additionally, publications are identified with *italic* text.

Entirety of Section 1 added: This contextual section covers the legal basis for the *Agricultural Classified Use Real Property Appraisal Guidelines*, a description of the set of guidelines, purpose of the *Agricultural Classified Use Real Property Appraisal Guidelines*, limitation/unintended use of the *Agricultural Classified Use Real Property Appraisal Guidelines*, and information about other sources of appraisal guidance.

Section 2, General Provisions: This was old section I that consisted of 27 numbered sections. Edits include:

- Moved overview of the specific topics covered in the *Agricultural Classified Use Real Property Appraisal Guidelines* from old section 24 to beginning of section (2.1)
- Added text of applicable classification and valuation statutes (2.2 and 2.3)
- Updated references to “market approach” to “sales comparison approach” (2.3 and 2.3.1)
- Updated information on the lack of applicability of the sales comparison approach for agricultural use valuation (2.3.1)
- Added detail on statutory requirement to use 5-year moving average for income approach (2.3.3 and 2.3.7)
- Updated sources, expanded discussion, provided additional detail for capitalization methodology, or band-of-investment method (2.3.3)
- Updated reference for old Soil Conservation Service (SCS) System to new USDA Natural Resources Conservation Service (NRCS) Web Soil Survey (2.3.4 and throughout)
- Added definition for nonproductive land/waste land (2.3.6)
- Added subsection regarding property inspection (2.4)
- Added subsection regarding quality assurance (2.5)
- Added subsection regarding assessment challenges (2.6)

Section 3, Timberland: This was old section II entitled “Woodlands Section” that consisted of 35 numbered sections and five tables. Edits include:

- Replaced the term woodlands with timberland throughout
- Added definition for timberland (3.1)
- Updated marketable timber the land is capable of producing (3.2)
- Removed information for different species and quantity of timberland in Florida
- Expanded information for productive/nonproductive timberland (3.3)
- Clarified source for and use of site indexes and NRCS web soil survey in determining productive capacity/site index (3.4.1)
- Added definition and updated information for stumpage value (3.4.2)

- Added language to clarify classification of timberland (3.5)
- Expanded information for county value tables (3.6)
- Moved tables 1-5 to addendums at the end of document.
- Moved citations to appear where the referenced materials are discussed/presented within the document.

Section 4, Pasture Land: This was old section III that consisted of 32 numbered sections. Edits include:

- Added definition and information for appropriate approach to value (4.1 and 4.2)
- Removed out-of-date information regarding livestock operations and non-specific, generalized text
- Added rental income information (4.3)
- Added language regarding use of 5-year moving average and use of value tables for livestock operations (4.4)
- Moved details of the four classes of pasture land for clarity (4.4.2)
- Expanded information for nonproductive pasture land (4.4.2)
- Edited animal unit month language for clarity and added definition (4.4.6)

Section 5, Citrus Land: This was old section IV that consisted of 19 numbered sections. Edits include:

- Added definition (5.1)
- Edited information for citrus producing areas and economic life for clarity (5.3 and 5.4)
- Updated source reference to USDA's National Agricultural Statistics Service (5.5)
- Expanded yield discussion (5.5)
- Added sources for cost and price (5.6)
- Expanded information for adjustments to value schedule and removed grove condition table (5.6.1)
- Edited steps to prepare value schedule for clarity (5.6.2)
- Updated information for value adjustment for clarity (5.7)
- Formatted changes to the procedures and formulas section for clarity (5.8)
- Added definitions to recapture section (5.10)

Section 6, Cropland: This was old section V that consisted of 20 numbered sections. Edits include:

- Added definition (6.1)
- Updated language for clarity and to remove information of specific crops (the section is no longer divided between vegetables and crops) (6.1 and throughout)
- Moved information regarding the use of budgets in valuation (6.4)
- Expanded information for valuation based on rental income (6.5)
- Added discussion regarding irrigated land valuation (6.6)
- Removed old sections 8 through 20 for clarity in valuation of cropland in general (see 6.1)

Added **Addendum A** – Band-of-Investment Example which replaces and expands on old section II (18)

Moved old Table 1 to **Addendum B**

Moved old Table 2 to **Addendum C**

Moved old Table 3 to **Addendum D** and updated the table

Moved old Table 4 to **Addendum E** and updated the table

Moved old Table 5 to **Addendum F** and updated the table

Added **Addendum G** - Agricultural Rental Analysis Example, Cropland/Pasture Land, reference in 4.3 and 6.5

Added **Addendum H** - Cropland and Pasture Land Value Schedule, reference in 4.3, 4.4.5, and 6.5