

SARPY COUNTY ASSESSOR - Standard Operating Procedure

Revision Date: 1/22/2018

RURAL SITE VALUATION NON –AG OTHER USE

OBJECTIVE:

To establish the policy, procedures and methods concerning the valuation of land uses that are not considered agricultural horticultural land.

REFERENCE:

Title 350 – Nebraska Department of Property Assessment and Taxation
Chapter 14 – Agricultural Land and Horticultural Land Assessment Regulations

14-005 OTHER AGRICULTURAL AND HORTICULTURAL LAND USES

005.01 There are other land uses in rural areas, which are not classified as agricultural land and horticultural land uses. All of these areas will need to have market studies conducted by the assessor to determine the proper assessment of the land. Other land uses shall not be classified as agricultural and horticultural land and shall be assessed at 100% of actual or market value.

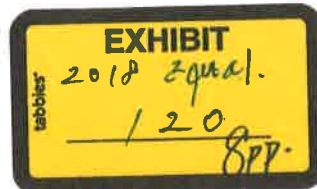
SARPY COUNTY TERMINOLOGY:

- **Homestead** – Shall mean the home or homes and adjoining land occupied by a family or families (Webster Dictionary).
- **Site** – Shall mean all land, which is not agricultural or horticultural land within an agricultural or horticultural parcel.
- **Primary Acre** - Contains a Site that will support a habitable dwelling and may contain other improvements. It is up to one (1) acre in size.
- **Secondary Acre(s)** - Contains other improvements and may contain areas supporting a habitable dwelling. Typically acres 2, 3, 4 and 5.
- **Residual Acre(s)** – Is the remainder of land which is not the Primary or Secondary Acre(s). Residual Acre(s) is limited only by the size of the parcel; typically acres 6+.

POLICY:

In accordance with Nebraska State Statute 77-201, it is the policy of the Sarpy County Assessor's Office to value the site portion of the Farm Property Record at 100% of its actual or market value. The market value will be established utilizing standard mass appraisal methods as is the case with all classes of real property.

The intent of this Standard Operating Procedure is to demonstrate the valuation method applied to the non-agricultural/horticultural component of agricultural land.



Site:

This example represents the non-agricultural/horticultural land adjoining agricultural/horticultural land with residential improvements and/or buildings or enclosed structures.

Example 1:



Valuation Method:

Primary Acre (1 st Acre x 40,700)	1 x 40,700 = \$40,700
Secondary Acres (2 nd 3 rd 4 th 5 th Acres x 16,600)	1.51 x 16,600 = \$25,066
Residual Acres (6 th plus Acres x 9,300)	0 x 9,300 = \$ 0
Total Site Valuation	\$65,766

The site amounts to 2.51 acres. The primary acre contains the house and site up to one (1) acre. In this case, the secondary acres amount to 1.51 acres.

Example 2:



Valuation Method:

Primary Acre (1 st Acre x 40,700)	1 x 40,700 = \$40,700
Secondary Acre(s) (2 nd 3 rd 4 th 5 th Acres x 16,600)	4 x 16,600 = \$66,400
Residual Acre(s) (6 th Plus Acres x 9,300)	.4 x 9,300 = <u>\$ 3,720</u>
Total Site Valuation	\$110,820

This site indicates non-agricultural/horticultural land use of 5.40 acres total. The Primary Acre contains the house and buildings up to one (1) acre, The Secondary Acres, in this case, are the 2nd thru 5th acres, which contain storage, buildings and site and spill over to Residual Acres which contain .4 acres.

Example 3:

There are instances where there are multiple residences on a parcel. If the multiple residences have separate homesteads, each will include a Primary Acre, Secondary Acre(s) and Residual Acre(s), if applicable, with a market value calculated for each homestead. If the multiple residences share a common homestead, then there will be only one Primary Acre, Secondary Acre(s) and Residual Acre(s), if applicable, with a market value calculated for the one homestead.

For example, this agricultural parcel has three residences. Houses 1 and 2 occupy a single homestead. House 3 occupies a separate homestead.



Valuation Method:

A. The first homestead contains 6.96 acres.

Primary Acre (1 st Acre x 40,700)	1 x 40,700 = \$40,700
Secondary Acre(s) (2 nd 3 rd 4 th 5 th Acres x 16,600)	4 x 16,600 = \$66,400
Residual Acre(s) (6 th Plus Acres x 9,300)	1.96 x 9,300 = <u>\$18,228</u>
Total 1 st homestead	\$125,328

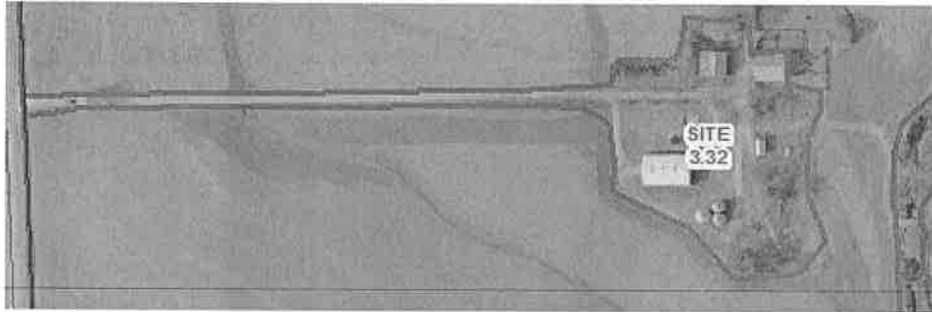
B. The second homestead contains .84 of an acre.

Primary Acre (1 st Acre x 40,700)	.84 x 40,700 = \$34,188
Secondary Acre(s) (2 nd 3 rd 4 th 5 th Acres x 16,600)	0 x 16,600 = \$ 0
Residual Acre(s) (6 th Plus Acres x 9,300)	0 x 9,300 = <u>\$ 0</u>
Total 2 nd homestead	\$34,188

Total Site Valuation \$125,328 + \$34,188 = \$159,516

Example 4:

An agricultural parcel with a non-agricultural/horticultural land component with improvements such as enclosed structures, grain bins, corn cribs, and pole buildings, radio/cell towers and wind turbines.



Valuation Method:

Secondary Acre(s) (1 st – 5th Acres x 16,600)	3.32 x 16,600 = \$55,112
Residual Acre(s) (6 th Plus Acres x 9,300)	0 x 9,300 = \$ 0
Total Site Valuation	\$55,112

This site indicates non-agricultural/horticultural land use of 3.32 acres. This site does not contain a habitable dwelling therefore will not contain the Primary Acre. However, the site does contain other improvements. The Secondary Acres, in this case, will begin with the 1st thru the 5th acres and spilling over to Residual Acre value for the partial 6th acre.

Example 5:

This is an agricultural parcel with a non-agricultural/horticultural land component that is a recreational pond.



Valuation Method:

Residual Acre(s) (1 st Plus Acres x 9,300)	2.85 x 9,300 = <u>\$26,505</u>
Total Site Valuation	\$26,505

This Site indicates non-agricultural/non-horticultural land use of 2.85 acres. This site does not contain a habitable dwelling or other improvements therefore will not contain the Primary or Secondary Acre(s). The Acres, in this case, will begin with the Residual Acre(s).

Example 6:

This is an agricultural parcel with a non-agricultural/horticultural land component with non-public road easements, driveways or lanes ect. The private driveway is highlighted. The site on this visual example is a different parcel number.



Valuation Method:

Residual Acres (1st Plus Acres x 9,300)	1.45 x 9,300 = <u>\$13,485</u>
Total Site Valuation	\$13,485

This Site indicates non-agricultural/horticultural land use of 1.45 acres. This site does not contain a habitable dwelling or other improvements therefore will not contain the Primary or Secondary Acre(s). The Acres, in this case, will begin with the Residual Acre(s).

Driveways within the parcel which vehicle access to improvements such as hay sheds, pole barns, enclosed livestock confinements, are considered non-agricultural/horticultural land. Gravel driveways which lead to the field for agricultural/horticultural purposes are to be valued as agricultural/horticultural land. The example below shows both types of driveways; to the site (yellow line) and to the fields (pink line).



A handwritten signature in black ink, appearing to be 'Dan L'.

APPROVED
DATED: 1/22/2018