

NEWS RELEASE from the Smith County Appraisal District, 245 SSE Loop 323, Tyler, TX. 903/510-8600. Carol Dixon, Chief Appraiser.

For **IMMEDIATE** Release

April 5, 2022

Property Taxes on Farms and Ranches Could be Reduced with Productivity Appraisal

“Texas farmers and ranchers can be granted property tax relief on their land. They may apply to the Smith County Appraisal District for agricultural productivity appraisal, a lower appraisal of their land based on how much they produce, versus what their land would sell for on the open market,” said Carol Dixon, Chief Appraiser for Smith County Appraisal District.

The deadline to apply for productivity appraisal is April 30. If your land already receives agricultural or timber valuation, you do not need to reapply unless your qualifications change, or the chief appraiser requests a new application. “If you purchased land in 2021 that is already qualified, you must reapply in your own name by April 30 to remain eligible,” Dixon said.

While agriculture does not need to be the owner’s primary business, property owners must use the land for agriculture or timber and the land’s use must meet the degree of intensity generally accepted in the area. Owners must also show that the land was used for this purpose at least five of the preceding seven years.

Texas law allows farmers and ranchers to use land for wildlife management and still receive the special appraisal, but the land must be qualified for agriculture use in the preceding year. Land under wildlife management must also meet acreage size requirements and special use qualifications.

Penalties in the form of a rollback tax, or the difference between the taxes paid under productivity appraisal and the taxes that would have been paid if the land had been put on the tax roll at market value, will be imposed if qualified land is taken out of agriculture or timber

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production and switched to a non-agricultural use. The rollback taxes are based on the three tax years preceding the year of change and include interest charges.

For more information about productivity appraisal and application forms, contact the Smith County Appraisal District, 245 SSE Loop 323, Tyler, (903) 510-8600. Information is also available on the state Comptroller's Property Tax Assistance Division's website at comptroller.texas.gov/taxes/property-tax

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