

1.4 Farm Real Estate Values, Cash Rents, and Taxes

The value of U.S. farm real estate averaged \$744 per acre as of January 1, 1994. This is slightly more than 6 percent above a year earlier and marks the seventh consecutive increase since 1987. However, a 2.6-percent inflation rate in 1993 dampened these gains. Real estate taxes per acre increased 3 percent to \$5.78 in 1992, the most recent year for which data are available.

U.S. farm real estate accounts for nearly 75 percent of the value of all farm assets and represents the principal source of collateral for farm businesses. Farm real estate values indicate the general economic health of the agricultural sector. Changes in values affect equity positions of farmers and ranchers and, in turn, their creditworthiness. The drop in farm real estate values, which began in 1983 at the national level, eroded equity positions of some operators, making them more financially vulnerable.

Continued recovery in U.S. average real estate values since 1987 has contributed to stronger financial positions of farm and ranch operators. Rising farm real estate values also signal higher entrance costs into agriculture for new operators and higher costs for those expanding operations. Because a substantial proportion of land operated is leased, changes in rents affect cash-flows to landowners and production costs for tenants. Knowledge of changes in values, equity positions, and cash rents helps policymakers anticipate credit needs and, in turn, design credit programs and other farm programs.

Agricultural taxes represent costs to landowners. Higher taxes are likely passed on to tenants through higher rent. Most States have programs to encourage owners to keep farm and ranch land in agricultural uses through reduced taxes on these lands. Also, transferable development rights, zoning, and easement programs help keep land in agricultural uses, particularly near urban areas where demand for nonagricultural uses is strongest.

Seventh Consecutive Annual Gain in U.S. Farm Real Estate Values

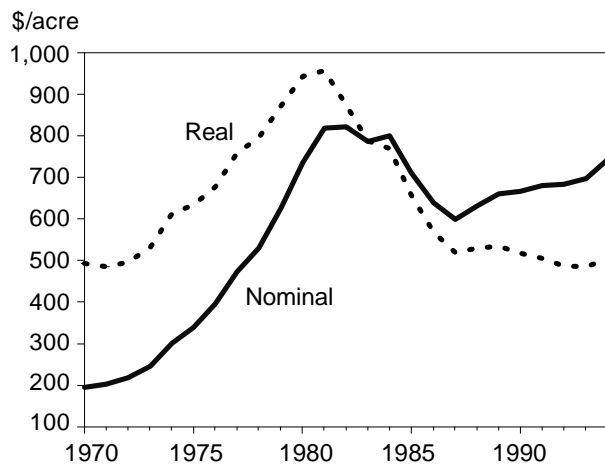
The per-acre value of U.S. farm real estate rose slightly over 6 percent during 1993, marking the seventh consecutive increase since 1987 (for data description, see page 41). As of January 1, 1994, the value of farmland and buildings averaged \$744 per acre, 24 percent above the 1980's low of \$599 in 1987, but 10 percent below the record high of \$823 in 1982 (fig. 1.4.1, table 1.4.1). Until 1993, the strongest recovery in values occurred during 1988 and 1989, averaging 5 percent annually (Jones and Canning, 1993). Increases in subsequent years

leveled off, averaging 0-2 percent annually. Recovery patterns among States and regions showed considerable variation. The strongest gains since 1987 occurred in the Northern Plains, Corn Belt, and Lake States (fig. 1.4.2). These predominantly agricultural regions had earlier realized the largest drops between record high values in the early 1980's and declining values until 1987.

A 2.6-percent inflation rate (as measured by the GDP implicit price deflator) in 1993 dampened the 6-percent increase in U.S. average farm real estate value. The real or inflation-adjusted value, as of January 1, 1994, showed a 3.7-percent increase from January 1993 (fig. 1.4.1, app. table 1.4.1). Real values have trended lower since 1981, leveling off between 1988 and 1993. After adjusting for inflation, the U.S. average is currently 47 percent below the 1981 peak value.

Several developments in 1993 supported the 6-percent nominal gain in U.S. farmland values. Nominal interest rates continued lower in 1993, decreasing borrowing costs and increasing the demand for farmland. Also, continued economic recovery in the United States in 1993 may have stimulated the demand for farmland for nonagricultural uses,

Figure 1.4.1
Average real and nominal values of U.S. farm real estate



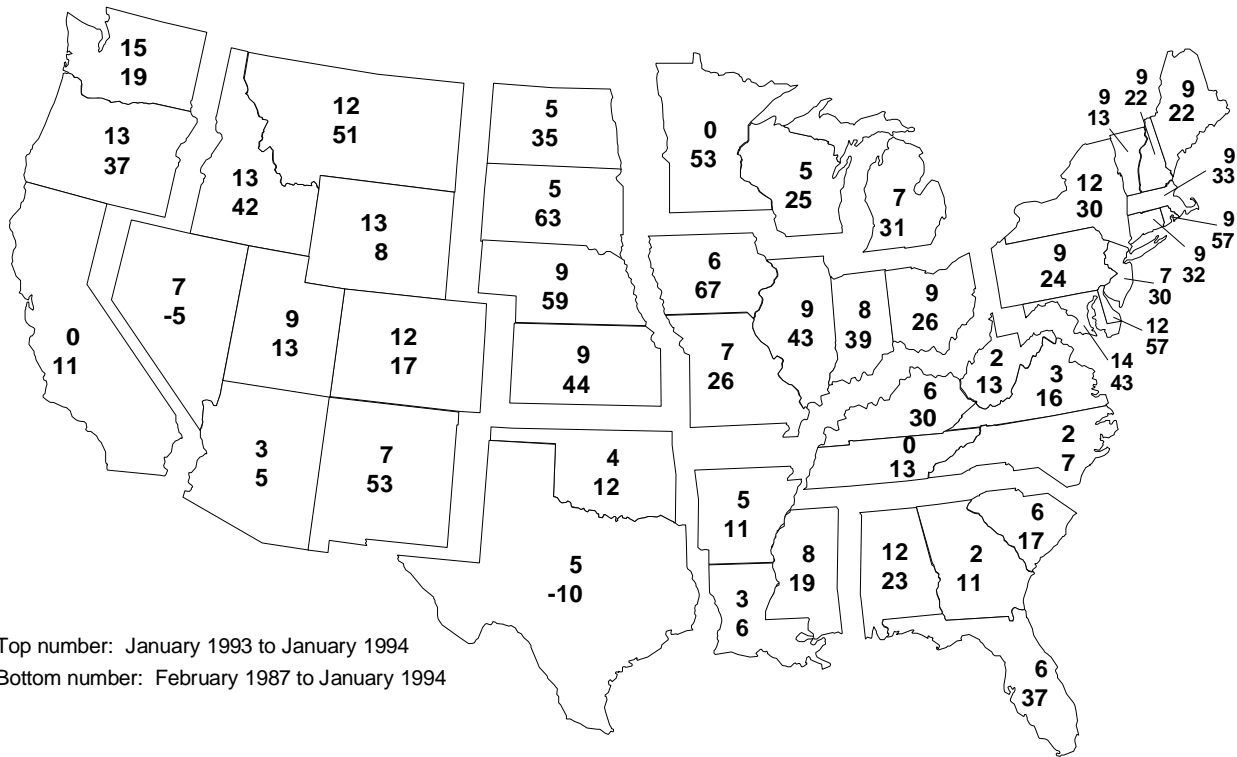
Source: USDA, 1993a, 1993b.

Table 1.4.1—Average per-acre value of farm real estate, by State, 1977-94¹

State	1977	1982	1987	1990	1991	1992	1993	1994
	<i>Dollars</i>							
Northeast	887	1,364	1,491	1,722	1,703	1,711	1,749	1,927
Maine	414	680	885	1,019	978	931	992	1,081
New Hampshire	696	1,136	1,847	2,237	2,148	2,045	2,178	2,374
Vermont	533	815	1,114	1,190	1,142	1,087	1,158	1,262
Massachusetts	1,138	1,874	3,012	3,763	3,612	3,439	3,662	3,992
Rhode Island	1,821	2,729	3,389	5,028	4,827	4,595	4,894	5,334
Connecticut	1,780	2,610	3,557	4,417	4,240	4,036	4,299	4,686
New York	587	821	960	974	1,031	1,051	1,119	1,251
New Jersey	2,211	3,181	3,729	4,634	4,912	4,774	4,536	4,840
Pennsylvania	994	1,513	1,540	1,807	1,757	1,820	1,747	1,910
Delaware	1,250	1,787	1,677	2,259	2,248	2,126	2,362	2,641
Maryland	1,353	2,376	2,009	2,420	2,196	2,255	2,521	2,866
Lake States	669	1,234	707	841	906	916	950	980
Michigan	778	1,278	924	1,005	1,085	1,105	1,130	1,212
Wisconsin	598	1,144	777	803	853	870	932	975
Minnesota	672	1,272	587	805	873	873	896	900
Corn Belt	1,098	1,642	900	1,096	1,129	1,157	1,193	1,285
Ohio	1,099	1,629	1,097	1,204	1,217	1,249	1,267	1,386
Indiana	1,188	1,804	1,061	1,244	1,275	1,303	1,366	1,473
Illinois	1,458	2,023	1,149	1,389	1,433	1,500	1,503	1,645
Iowa	1,259	1,889	786	1,102	1,157	1,178	1,245	1,316
Missouri	548	945	604	679	689	689	715	762
Northern Plains	325	547	331	425	440	449	462	497
North Dakota	274	455	303	340	368	358	388	409
South Dakota	194	349	238	328	351	365	370	388
Nebraska	420	730	400	550	556	569	580	635
Kansas	398	628	373	462	467	484	494	537
Appalachia	650	1,083	1,004	1,111	1,059	1,089	1,129	1,162
Virginia	701	1,096	1,154	1,516	1,295	1,363	1,295	1,338
West Virginia	430	723	633	613	625	719	696	713
North Carolina	759	1,297	1,259	1,263	1,243	1,264	1,319	1,349
Kentucky	619	1,058	878	981	962	993	1,084	1,144
Tennessee	618	1,040	936	996	988	985	1,049	1,054
Southeast	636	1,095	1,055	1,253	1,254	1,212	1,229	1,305
South Carolina	600	980	792	909	948	931	871	923
Georgia	581	926	889	1,012	995	902	964	983
Florida	861	1,518	1,605	2,085	2,133	2,062	2,074	2,205
Alabama	477	885	786	839	791	832	863	964
Delta States	543	1,135	757	782	797	771	802	845
Mississippi	461	981	685	728	754	738	757	814
Arkansas	542	1,096	724	750	770	724	759	800
Louisiana	665	1,414	921	915	905	905	945	973
Southern Plains	318	576	532	495	482	472	480	502
Oklahoma	394	725	475	497	486	494	512	534
Texas	299	539	546	495	481	466	471	493
Mountain	174	325	257	267	286	288	295	325
Montana	157	271	200	238	243	252	270	302
Idaho	454	839	552	661	659	687	691	784
Wyoming	110	193	157	149	153	138	149	169
Colorado	256	451	368	358	410	367	383	430
New Mexico	101	195	156	196	230	239	225	240
Arizona	138	302	299	263	285	302	305	314
Utah	271	589	451	389	403	425	464	508
Nevada	112	268	240	194	219	231	215	229
Pacific	595	1,346	1,084	1,163	1,206	1,198	1,189	1,242
Washington	535	922	756	779	798	792	782	898
Oregon	342	705	541	571	583	603	657	740
California	759	1,900	1,554	1,704	1,787	1,765	1,722	1,722
48 States	474	823	599	668	681	684	699	744

¹ Value of farmland and buildings in nominal dollars. Value data as of Feb. 1 for 1977 and 1987, April 1 for 1982, and Jan. 1 for 1990-94. Source: Jones and Canning, 1993; USDA, 1993a.

Figure 1.4.2
Percent change in farm real estate value per acre (nominal dollars)



Source: USDA, 1993a, 1993b.

particularly near urban centers. This is evident in the Northeast, where after general declines in 1991 and 1992, the average per-acre value of farm real estate in all 11 States finally exceeded the 1989/90 peak.

The U.S. average value per farm/ranch rose 6.4 percent in 1993, reaching \$351,723 as of January 1, 1994 (app. table 1.4.2). Average values among States ranged from \$131,913 per farm/ranch in West Virginia to \$1,429,706 in Arizona. Variations among States and regions result from differences in per-acre values (table 1.4.1) and in average size of operation. West Virginia farms averaged 185 acres per operation in 1993, compared with 4,550 acres in Arizona.

Cash Rents in 1994 Vary From 1993 Levels

About 38 percent of all U.S. farmland operated in 1992 was rented, according to USDA's 1992 Farm Costs and Returns Survey (USDA, 1993a). This count excludes land leased on an animal-unit-month basis, most of which is located in the Mountain and Pacific regions. Tenants most often rented on a cash basis. In 1992, 65 percent of all rented land was rented for cash, 30 percent for shares, and 5 percent had some other arrangement. Cash renting was most

widespread in the Lake States (85 percent) and the Southeast (85 percent) and least prevalent in the Corn Belt (44 percent).

Because rents reflect the income-earning capacity of land, they vary widely across the country (Jones and Hexem, 1990; USDA, 1993a). Cropland rents in the Northern Plains, Southeast, and Delta States were higher in 1994 than in 1993 (table 1.4.2). Cash rents for irrigated cropland in 1994 were higher for most States, except Colorado, Montana, Nevada, Texas, and Wyoming (table 1.4.3).

The Northern and Southern Plains and the Mountain regions jointly account for 85 percent of the Nation's grazing land in farms and ranches (U.S. Department of Commerce, 1989). Cash rents for pasture in the Plains regions were higher in 1994, except for Kansas and Nebraska (table 1.4.4). Comparisons of pasture rents in other regions show no pattern.

Cattle grazing fees on privately owned nonirrigated land in 16 States averaged \$10.60 per animal-unit month in 1993, slightly above the \$10.46 average in 1992 (table 1.4.5). While private fees have trended higher in recent years, grazing fees on land

administered by the Bureau of Land Management and the Forest Service continue at substantially lower levels, with little change since 1979 (fig. 1.4.3).

Agricultural Real Estate Taxes Rise 3 Percent in 1992

Taxes levied on U.S. agricultural real estate (land and buildings) by State and local governments totaled \$4.9 billion in 1992 (the most recent year for which data are available), 3 percent above a year earlier (table 1.4.6). (Alaska is excluded because of difficulties in determining the amount of

privately owned taxable agricultural land in the State.) The U.S. average tax per acre was \$5.78, up from \$5.61 in 1991. The average tax per \$100 of full market value on U.S. farm real estate rose from \$0.82 in 1991 to \$0.84 in 1992. Since 1957, taxes per acre have surpassed taxes per \$100 of full market value (fig. 1.4.4).

Compared with 1991, taxes per acre in 1992 averaged higher in 38 States, lower in 9, and unchanged in 2. Taxes per \$100 of full market value in 1992 were higher in 33 States, lower in 14, and unchanged in 2.

Table 1.4.2—Cropland rented for cash: Average gross cash rent per acre and rent as a percentage of value, selected States, 1990-94

State	Rent per acre					Rent to value ¹				
	1990	1991	1992	1993	1994	1990	1991	1992	1993	1994
	----- Dollars -----					----- Percent -----				
Northeast:										
Maine	35.70	34.30	37.10	43.80	44.40	5.2	5.7	2.5	5.3	4.4
Vermont	25.60	22.60	34.30	38.70	40.50	2.9	2.5	1.6	2.4	2.7
New York	30.20	33.90	36.20	34.90	38.20	4.7	5.0	4.5	3.9	3.8
New Jersey	*	66.50	52.00	50.60	65.90	*	0.4	0.5	0.8	1.3
Pennsylvania	43.30	42.10	42.40	44.10	41.90	2.3	2.2	1.8	2.0	1.5
Delaware	55.80	59.60	62.30	57.90	59.80	3.8	3.6	3.3	2.6	2.8
Maryland	49.30	53.30	*	55.40	60.80	3.7	3.0	*	2.3	2.2
Lake States:										
Michigan	41.40	45.50	47.40	45.60	49.00	5.7	6.0	6.2	5.7	5.5
Wisconsin	50.00	52.30	51.40	52.50	51.20	7.2	7.1	7.3	6.9	6.8
Minnesota	61.50	63.30	62.30	64.20	61.90	7.6	7.4	7.6	7.6	7.9
Corn Belt:										
Ohio	69.10	69.10	70.20	68.50	70.50	6.0	5.8	5.6	5.5	4.7
Indiana	86.60	86.70	85.70	88.30	90.40	6.9	6.8	7.5	6.8	6.3
Illinois	99.40	100.90	103.30	102.90	107.30	6.7	6.6	6.5	6.3	5.5
Iowa	99.60	100.80	104.60	108.00	107.00	8.0	8.2	8.0	7.9	7.4
Missouri	61.90	62.20	58.20	64.10	64.80	9.9	9.3	8.0	8.9	8.6
Northern Plains:										
North Dakota	25.20	28.70	29.10	31.30	31.90	8.9	9.0	8.7	8.5	8.2
South Dakota	36.20	37.40	30.40	30.50	32.20	8.4	8.0	8.3	8.0	8.2
Appalachia:										
Virginia	37.70	34.50	34.40	33.80	37.40	2.7	2.8	2.1	2.4	2.4
West Virginia	29.70	29.50	30.40	30.10	36.90	4.9	4.6	3.4	3.5	4.3
North Carolina	32.90	34.60	37.70	41.00	38.10	2.7	3.0	2.8	2.8	2.5
Kentucky	47.50	52.70	52.60	55.30	59.00	6.3	6.6	5.4	5.2	5.7
Tennessee	46.00	51.20	48.80	50.20	49.50	7.1	6.0	5.1	4.8	5.8
Southeast:										
South Carolina	23.20	22.30	21.70	22.50	23.40	3.6	3.0	2.5	2.8	2.6
Georgia	27.30	27.90	29.70	30.50	32.00	3.9	3.9	3.5	3.2	3.5
Florida	105.00	126.10	101.50	95.70	*	2.0	3.6	3.0	3.5	*
Alabama	33.90	28.60	28.10	30.70	36.50	5.5	4.7	4.1	4.3	4.8
Delta States:										
Mississippi	33.80	37.90	40.80	39.60	44.00	5.6	6.0	6.7	6.4	6.7
Arkansas	49.80	55.50	48.00	50.10	50.70	6.7	6.6	7.3	7.2	6.3
Louisiana	46.30	49.50	48.30	46.80	48.30	6.1	7.0	6.1	5.6	6.0

* = Insufficient information.

¹ Cash rent as a percentage of per-acre value of rented cropland.

Source: USDA, 1993a.

Taxes varied widely among the States, ranging in 1992 from 41 cents per acre in New Mexico to \$54.38 in Rhode Island (table 1.4.6). Taxes per \$100 of full market value ranged from 10 cents in Delaware to \$3.23 in Michigan.

Variations in State taxes result in part from (1) the degree that States rely on real estate taxes, rather than income or sales taxes, as a source of local revenue; and (2) the extent that States provide tax relief, such as preferential land-use assessment, homestead and old age exemptions, and veterans' preferences.

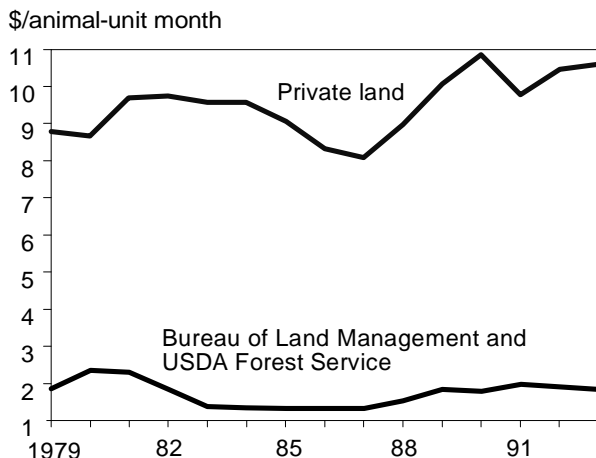
Table 1.4.3—Irrigated and nonirrigated cropland rented for cash: Average gross cash rent per acre and rent as a percentage of value, selected States, 1990-94

State	Rent per acre					Rent to value ¹				
	1990	1991	1992	1993	1994	1990	1991	1992	1993	1994
	----- Dollars -----					----- Percent -----				
Northern Plains:										
Nebraska--										
Nonirrigated	59.40	58.30	49.60	50.30	50.30	8.8	8.6	8.6	8.6	8.3
Irrigated	101.60	98.90	102.80	102.20	106.80	9.3	8.9	9.5	9.3	9.3
Kansas--										
Nonirrigated	33.10	32.50	31.90	32.80	34.70	8.0	7.7	7.2	7.4	7.3
Irrigated	61.50	60.60	62.70	65.10	72.50	9.1	8.7	9.5	9.3	10.1
Southern Plains:										
Oklahoma--										
Nonirrigated	27.20	25.60	26.10	26.20	25.20	5.5	5.7	5.6	5.5	5.1
Irrigated	42.50	42.10	39.10	39.10	41.70	6.1	7.1	5.9	6.4	6.9
Texas--										
Nonirrigated	20.10	20.30	20.00	20.60	20.20	2.9	3.1	3.3	3.5	3.2
Irrigated	43.10	42.50	45.30	49.40	44.90	4.8	4.9	7.3	7.6	6.3
Mountain:										
Montana--										
Nonirrigated	21.80	18.40	19.80	21.00	24.10	8.3	7.3	8.3	7.8	8.4
Irrigated	60.20	43.60	50.60	54.80	49.70	8.3	6.6	5.0	5.5	7.3
Idaho--										
Nonirrigated	36.90	41.30	33.90	34.30	34.20	6.4	7.4	5.6	6.4	7.6
Irrigated	94.80	92.00	114.30	100.50	126.60	9.3	8.9	9.9	7.1	8.9
Wyoming--										
Nonirrigated	13.90	10.20	9.60	13.40	16.10	9.3	6.6	5.7	6.7	6.3
Irrigated	37.90	40.30	49.40	54.00	51.20	8.0	8.3	8.7	8.2	7.7
Colorado--										
Nonirrigated	20.50	23.50	20.40	24.80	28.80	6.9	8.1	5.6	7.6	8.8
Irrigated	70.90	70.80	72.70	76.20	75.50	8.6	6.1	7.2	7.1	7.8
New Mexico--										
Irrigated	62.00	70.40	87.70	80.40	88.90	4.1	3.9	2.6	2.5	1.8
Arizona--										
Irrigated	139.20	144.20	128.10	136.70	150.10	3.8	3.4	3.8	3.6	3.0
Utah--										
Nonirrigated	24.00	26.50	30.50	26.30	28.20	5.6	6.3	3.8	3.3	3.6
Irrigated	59.00	60.30	57.60	52.90	54.00	4.3	4.3	3.4	3.0	2.5
Nevada--										
Irrigated	72.10	87.70	92.70	89.10	81.70	4.5	5.1	4.8	6.2	3.2
Pacific:										
Washington--										
Nonirrigated	56.00	53.30	49.80	53.40	55.90	7.5	6.1	5.5	5.4	6.7
Irrigated	125.60	117.40	113.10	124.20	133.20	9.8	6.3	5.7	6.3	6.1
Oregon--										
Nonirrigated	50.00	53.10	58.20	55.50	61.90	5.4	4.7	6.0	5.6	4.2
Irrigated	88.50	96.00	106.70	124.70	135.90	5.6	6.2	6.1	7.8	7.4
California--										
Irrigated	155.00	167.60	179.60	191.50	223.00	5.3	4.8	3.4	3.6	4.4

¹ Cash rent as a percentage of per-acre value of rented cropland.

Source: USDA, 1993a.

Figure 1.4.3

Average grazing fees on private and public lands

Source: USDA, 1993c; USDA and USDI, 1992; Public Land News, 1993.

Although property taxes continue to increase nationally, their proportion of State and local own-source revenue has declined, dropping from 31 percent in 1972 to 22 percent in 1990. At the same time, the proportion of income taxes to State and local own-source revenue increased from 14 to 18 percent, while sales taxes rose from 15 to 17 percent, and fees and miscellaneous revenue from 20 to 30 percent. Other taxes (gross receipts and severance, alcohol, and tobacco taxes, and so forth) declined from 20 to 13 percent (Federation of Tax Administrators, 1992).

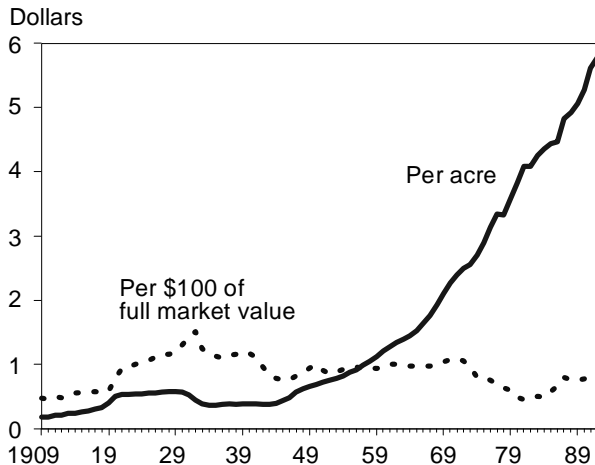
All States have laws on preferential (or deferred) land-use assessment of farmland (Aiken 1990). These laws provide that farmland devoted to farming be assessed on the basis of its use as farmland and not on its market value. Not unexpectedly, these laws vary from State to State according to, for example, minimum acreage requirements, minimum number of years in farming, percentage of gross annual income the landowner receives from the land, penalties for converting the land to a nonfarming use, and so forth.

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Figure 1.4.4

U. S. agricultural real estate taxes

Source: DeBraul, 1993.

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Table 1.4.4—Pasture rented for cash: Average gross cash rent per acre and rent as a percentage of value, selected States, 1990-94

State	Rent per acre					Rent to value ¹				
	1990	1991	1992	1993	1994	1990	1991	1992	1993	1994
	----- Dollars -----					----- Percent -----				
Northeast:										
Maine	16.30	18.10	25.50	27.60	23.70	2.8	3.4	1.8	3.8	4.2
Vermont	15.20	12.50	20.90	21.00	26.70	1.8	2.1	1.4	1.3	3.6
New York	16.10	16.90	19.90	17.00	17.60	4.3	5.2	4.2	2.2	2.8
New Jersey	*	*	*	27.10	*	*	*	*	0.5	*
Pennsylvania	23.50	21.60	21.80	25.40	20.70	2.1	1.7	1.5	2.0	1.1
Delaware	34.40	39.30	44.40	40.80	40.10	3.8	3.0	3.0	2.5	2.1
Maryland	30.80	33.80	31.90	31.50	32.40	2.6	2.5	2.1	2.5	1.3
Lake States:										
Michigan	20.50	21.70	19.60	21.50	22.10	4.4	4.8	4.2	4.2	3.5
Wisconsin	25.00	23.30	25.60	24.90	22.50	6.8	6.5	7.6	7.2	6.6
Minnesota	20.70	22.90	18.60	19.60	22.30	7.4	8.8	6.3	5.7	7.5
Corn Belt:										
Ohio	28.80	30.50	26.50	25.60	25.50	5.0	4.5	4.3	3.4	3.3
Indiana	35.30	33.40	35.00	35.90	32.90	5.9	5.4	6.1	5.7	4.5
Illinois	33.20	33.50	34.90	31.80	34.60	6.1	6.0	5.6	5.2	5.2
Iowa	32.60	35.40	33.60	36.10	36.40	7.2	7.7	7.3	7.0	7.2
Missouri	24.10	24.10	23.70	22.60	24.70	6.8	6.2	5.4	4.7	5.1
Northern Plains:										
North Dakota	8.50	8.80	9.20	9.10	9.70	6.9	6.6	7.1	6.8	6.7
South Dakota	6.80	8.60	8.20	7.80	8.90	7.6	8.0	7.4	6.3	6.8
Nebraska	10.60	12.40	11.80	11.30	11.10	7.1	7.9	7.4	6.9	5.9
Kansas	11.50	11.60	12.00	12.80	12.80	5.2	5.1	5.0	5.1	4.8
Appalachia:										
Virginia	22.40	21.20	22.60	20.20	19.40	2.1	2.6	2.2	1.9	1.7
West Virginia	11.50	11.10	14.70	16.70	17.60	2.7	2.3	1.9	1.9	3.3
North Carolina	20.00	18.70	21.30	23.20	23.00	2.5	2.3	2.1	1.8	1.9
Kentucky	24.90	25.20	25.90	24.50	26.20	4.8	4.3	3.3	3.3	3.3
Tennessee	26.90	25.20	23.50	25.80	31.90	5.7	4.6	2.9	3.3	4.4
Southeast:										
South Carolina	17.90	17.50	15.30	16.40	18.80	3.4	2.7	2.2	1.8	2.2
Georgia	19.50	19.90	19.70	21.10	23.00	3.1	3.3	2.6	2.2	2.3
Florida	20.20	22.50	21.40	21.00	17.00	0.8	1.7	0.8	0.8	1.2
Alabama	20.60	18.20	18.80	19.40	19.10	3.9	3.4	3.2	3.6	3.1
Delta States:										
Mississippi	14.70	15.60	14.90	15.00	14.90	3.6	3.7	3.4	3.1	2.8
Arkansas	16.90	15.50	18.60	19.90	18.00	3.7	3.3	4.0	4.9	3.5
Louisiana	18.30	17.70	17.20	14.50	15.60	3.4	3.0	2.7	2.1	2.3
Southern Plains:										
Oklahoma	9.70	10.50	10.20	9.40	9.60	3.2	3.4	3.4	3.0	3.1
Texas	9.20	9.00	6.90	7.00	7.30	1.6	1.7	1.8	1.6	1.5
Mountain:										
Montana	6.00	5.10	6.60	8.10	6.20	6.8	5.0	5.5	5.8	4.7
Idaho	16.40	17.20	26.50	19.10	23.10	5.6	5.2	6.1	6.3	5.7
Wyoming	4.90	3.50	3.60	4.20	5.80	4.9	3.4	3.6	3.8	3.9
Colorado	8.20	7.50	6.80	10.90	11.50	5.0	4.7	3.2	5.1	5.3
Utah	20.20	20.20	25.70	23.00	20.90	4.6	4.3	3.5	3.2	1.9
Pacific:										
Washington	30.00	*	21.90	29.80	25.10	8.5	*	4.0	4.2	3.1
Oregon	*	*	*	22.60	25.40	21.50	*	*	4.0	6.0
California	42.50	*	37.90	34.20	44.90	9.0	*	2.2	1.8	1.6

* = Insufficient information.

¹Cash rent as a percentage of per-acre value of rented pasture.

Source: USDA, 1993a.

The Agricultural Land Values Survey and Agricultural Real Estate Tax Survey

Farm real estate values and cash rents are developed from a national survey of farmers and ranchers, who estimate farmland values and cash rents in their locality. These survey data are used to update the findings of the most recent *Agricultural Census* to reflect current values. Sample size in 1994 totaled over 21,000, of which 8,873 or about 42 percent submitted useable responses. State per-acre values of farm real estate are weighted by corresponding acres of land in farms and ranches to derive a 48-State average value. The sample is selected by USDA's National Agricultural Statistics Service (NASS) and the survey is conducted by NASS's State offices. The series of State and 48-State average farm real estate values dates back to 1910. The length of the cash rent data series varies among States. Cash rents for pasture date back to 1925 for some States. Cash rents for irrigated cropland are available only since 1984 for most States.

Data on agricultural real estate taxes are obtained from a national survey of approximately 4,200 taxing jurisdictions. Each provides tax and acreage information for a sample of 10 farm or ranch parcels in its jurisdiction for the current and preceding years. Respondents in jurisdictions with fewer than 10 parcels are requested to provide information on all parcels in the jurisdiction. Taxes per \$100 of market value are derived by dividing the average per-acre tax by the average per-acre value of farm real estate. This data series, by State and Nation, dates from 1890 for taxes per acre and from 1909 for total taxes and taxes per \$100 of full market value (DeBraal, 1993).

Table 1.4.5—Cattle grazing rates on privately owned nonirrigated land, selected States, 1982-93

State	1982	1987	1990	1991	1992	1993
	<i>Dollars per animal-unit month¹</i>					
Northern Plains:						
North Dakota	8.34	7.41	8.52	8.93	10.04	10.00
South Dakota	11.09	8.61	12.53	12.74	12.44	12.60
Nebraska	13.80	10.29	15.78	14.83	14.83	17.00
Kansas	9.59	8.87	10.58	11.10	10.99	11.30
Southern Plains:						
Oklahoma	6.29	5.68	4.31 ²	7.23	6.582	7.10
Texas	8.06	8.30	7.61 ²	8.60 ²	8.92	8.75
Mountain:						
Montana	8.90	7.94	9.61	10.58	11.86	11.40
Idaho	7.98	6.60	8.42	10.18	9.49	9.25
Wyoming	8.46	6.31	9.64	9.98	9.93	10.50
Colorado	9.04	8.27	10.20	9.30	10.11	9.70
New Mexico	6.26	5.82	6.66	3.02 ²	6.95	7.55
Arizona	*	7.19	*	*	5.53	5.72
Utah	9.29	5.98	7.79	9.64	9.79	8.90
Nevada	5.70	7.31	*	9.45	10.26	8.80
Pacific:						
Washington	6.67	9.55	7.82	7.81	10.69	7.80
Oregon	7.70	5.91	8.28	8.93	9.28	9.75
California	9.23	8.46	9.81 ²	9.61	10.09	10.40
16-State average ³	9.75	8.09	10.86	9.78	10.46	10.60

¹ Includes cow-calf rates converted to animal-unit-month (1 aum = cow-calf X 0.833).

² Coefficient of variation exceeds 15 percent.

³ All States except Texas.

* Insufficient number of reports for an accurate estimate of grazing rates.

Source: USDA, 1993b.

Table 1.4.6—Taxes levied on agricultural real estate, by State, 1990-92

State	Total taxes			Average tax per acre			Taxes per \$100 of full market value		
	1990	1991	1992	1990	1991	1992	1990	1991	1992
	----- Million dollars -----			----- Dollars -----			----- Dollars -----		
Northeast:									
Maine	12.7	13.1	13.5	9.52	10.06	10.37	0.93	1.03	1.11
New Hampshire	8.7	8.4	8.3	21.13	20.82	21.18	0.94	0.97	1.04
Vermont	20.0	20.7	20.8	14.43	14.49	14.98	1.21	1.30	1.38
Massachusetts	15.5	14.7	15.3	26.73	25.24	26.31	0.71	0.70	0.77
Rhode Island	2.7	2.7	2.9	48.22	49.63	54.38	0.96	1.03	1.18
Connecticut	9.7	10.0	10.0	26.08	26.71	27.46	0.59	0.63	0.68
New York	154.3	163.6	165.4	19.11	20.51	20.98	1.96	1.99	2.00
New Jersey	33.7	34.6	35.0	39.72	40.35	40.83	0.86	0.82	0.86
Pennsylvania	128.0	133.5	131.8	17.05	17.79	17.79	0.94	1.01	0.98
Delaware	0.9	1.2	1.2	1.70	2.09	2.17	0.08	0.09	0.10
Maryland	21.8	23.1	22.7	10.01	10.60	10.64	0.41	0.48	0.47
Lake States:									
Michigan	334.6	351.4	359.5	33.18	34.85	35.65	3.30	3.21	3.23
Wisconsin	282.8	290.8	302.2	17.18	17.77	18.68	2.14	2.08	2.15
Minnesota	171.9	181.8	196.1	6.49	6.86	7.45	0.81	0.79	0.85
Corn Belt:									
Ohio	142.3	155.7	155.9	9.42	10.31	10.52	0.78	0.85	0.84
Indiana	131.4	140.3	131.0	8.11	8.82	8.23	0.65	0.69	0.63
Illinois	431.9	402.1	428.6	15.24	14.19	15.18	1.10	0.99	1.01
Iowa	345.1	343.7	350.2	10.94	10.89	11.13	0.99	0.94	0.95
Missouri	72.5	74.4	75.9	2.51	2.58	2.63	0.37	0.37	0.38
Northern Plains:									
North Dakota	84.9	85.5	87.0	2.27	2.29	2.33	0.67	0.62	0.65
South Dakota	106.0	124.1	133.4	2.86	3.35	3.61	0.87	0.96	0.99
Nebraska	325.2	344.2	352.8	7.43	7.87	8.06	1.35	1.41	1.42
Kansas	118.8	124.6	102.7	2.56	2.69	2.22	0.55	0.58	0.46
Appalachia:									
Virginia	60.6	60.8	59.0	7.19	7.29	7.15	0.47	0.56	0.52
West Virginia	3.9	4.4	4.6	1.18	1.32	1.37	0.19	0.21	0.19
North Carolina	52.7	59.4	58.5	6.09	6.92	6.90	0.48	0.56	0.55
Kentucky	37.5	37.7	41.6	2.74	2.76	3.04	0.28	0.29	0.31
Tennessee	47.8	50.4	52.3	4.18	4.41	4.50	0.42	0.45	0.46
Southeast:									
South Carolina	15.6	16.9	19.5	3.38	3.66	4.23	0.37	0.39	0.45
Georgia	56.8	60.0	53.4	5.54	6.05	5.39	0.55	0.61	0.60
Florida	121.1	130.2	143.8	11.97	13.36	14.75	0.57	0.63	0.72
Alabama	11.3	11.2	10.9	1.32	1.33	1.32	0.16	0.17	0.16
Delta States:									
Mississippi	20.9	22.5	22.7	2.12	2.31	2.33	0.29	0.31	0.32
Arkansas	40.5	41.8	38.0	2.92	3.01	2.76	0.40	0.39	0.38
Louisiana	19.3	19.1	19.4	2.54	2.54	2.61	0.28	0.28	0.29
Southern Plains:									
Oklahoma	56.2	61.8	63.6	1.86	2.04	2.04	0.37	0.42	0.41
Texas	331.2	354.1	367.5	2.60	2.80	2.93	0.52	0.58	0.63
Mountain:									
Montana	72.4	77.5	80.5	1.48	1.59	1.66	0.62	0.65	0.66
Idaho	37.9	39.0	40.4	3.36	3.50	3.64	0.51	0.53	0.53
Wyoming	16.5	17.1	17.5	0.70	0.72	0.74	0.47	0.47	0.54
Colorado	66.8	81.3	81.2	2.38	2.84	2.83	0.66	0.69	0.77
New Mexico	12.3	11.8	12.5	0.40	0.39	0.41	0.21	0.17	0.17
Arizona	46.5	48.9	49.2	5.53	5.81	5.85	2.10	2.04	1.94
Utah	11.4	11.4	11.7	1.62	1.62	1.66	0.42	0.40	0.39
Nevada	2.8	3.7	4.1	0.53	0.69	0.78	0.27	0.32	0.34
Pacific:									
Washington	64.5	64.2	72.3	5.02	5.00	5.63	0.63	0.63	0.71
Oregon	95.9	100.2	86.2	5.96	6.22	5.45	1.04	1.07	0.90
California	268.7	277.2	314.1	10.65	11.17	12.87	0.63	0.63	0.73
Hawaii	30.0	36.5	42.3	17.63	21.48	24.92	0.59	0.59	0.69
United States ¹	4,558.8	4,743.3	4,869.2	5.27	5.61	5.78	0.78	0.82	0.84

¹ Excludes Alaska.

Source: USDA, 1993a

Appendix table 1.4.1—Average per acre real (inflation-adjusted) value of farm real estate, by State, 1977-94¹

State	1977	1982	1987	1990	1991	1992	1993	1994
	<i>Dollars</i>							
Northeast	1,421	1,449	1,290	1,331	1,262	1,218	1,214	1,303
Maine	663	722	766	788	725	663	688	731
New Hampshire	1,115	1,207	1,597	1,729	1,592	1,456	1,512	1,606
Vermont	854	866	964	920	846	774	804	854
Massachusetts	1,823	1,990	2,605	2,909	2,677	2,449	2,541	2,700
Rhode Island	2,918	2,899	2,932	3,887	3,578	3,272	3,396	3,608
Connecticut	2,852	2,772	3,077	3,415	3,143	2,874	2,983	3,170
New York	941	872	830	753	764	748	777	846
New Jersey	3,543	3,379	3,226	3,583	3,641	3,399	3,148	3,274
Pennsylvania	1,593	1,607	1,333	1,397	1,302	1,296	1,212	1,292
Delaware	2,003	1,898	1,451	1,746	1,666	1,514	1,639	1,786
Maryland	2,168	2,524	1,737	1,871	1,628	1,606	1,750	1,939
Lake States	1,072	1,311	612	650	672	652	659	663
Michigan	1,247	1,357	799	777	804	787	784	820
Wisconsin	958	1,215	673	621	632	619	647	659
Minnesota	1,077	1,351	508	622	647	622	622	609
Corn Belt	1,759	1,744	779	847	837	825	828	869
Ohio	1,761	1,730	949	931	902	889	879	937
Indiana	1,904	1,916	918	962	945	928	948	996
Illinois	2,336	2,149	994	1,074	1,062	1,068	1,043	1,113
Iowa	2,017	2,006	680	852	858	839	864	890
Missouri	878	1,004	522	525	511	491	496	515
Northern Plains	521	581	286	328	326	320	321	336
North Dakota	439	483	262	263	273	255	269	277
South Dakota	311	371	206	254	260	260	257	262
Nebraska	673	775	346	425	412	405	403	430
Kansas	638	667	323	357	346	345	343	363
Appalachia	1,041	1,150	869	859	785	775	784	786
Virginia	1,123	1,164	998	1,172	960	970	899	905
West Virginia	689	768	548	474	463	512	483	482
North Carolina	1,216	1,378	1,089	976	921	900	915	912
Kentucky	992	1,124	760	758	713	707	752	774
Tennessee	990	1,105	809	770	732	701	728	713
Southeast	1,019	1,163	913	970	929	863	853	883
South Carolina	961	1,041	685	703	703	663	604	624
Georgia	931	984	769	782	738	642	669	665
Florida	1,380	1,612	1,388	1,612	1,581	1,468	1,439	1,491
Alabama	764	940	680	649	586	592	599	652
Delta States	870	1,206	655	605	591	549	557	572
Mississippi	739	1,042	592	563	559	525	525	551
Arkansas	868	1,164	626	580	571	516	527	541
Louisiana	1,066	1,502	797	707	671	644	656	658
Southern Plains	510	612	460	383	357	336	333	340
Oklahoma	631	770	411	384	360	352	355	361
Texas	479	572	472	383	357	332	327	333
Mountain	279	345	222	206	212	205	205	220
Montana	252	288	173	184	180	179	187	204
Idaho	727	891	477	511	488	489	480	530
Wyoming	176	205	136	115	113	98	103	114
Colorado	410	479	318	277	304	261	266	291
New Mexico	162	207	135	152	170	170	156	162
Arizona	221	321	259	203	211	215	212	212
Utah	434	626	391	301	299	303	322	344
Nevada	179	285	208	150	162	164	149	155
Pacific	953	1,430	938	899	894	853	825	840
Washington	857	979	654	602	591	564	543	607
Oregon	548	749	468	441	432	429	456	501
California	1,216	2,018	1,344	1,317	1,325	1,257	1,195	1,165
48 States	759	874	518	517	505	487	485	503

¹Nominal values for farmland and buildings adjusted by the Gross Domestic Product Implicit price deflator indexed to 1982 = 100. Value data as of Feb. 1 for 1977 and 1987, April 1 for 1982, and Jan. 1 for 1990-94.

Source: USDA, 1993a.

Appendix table 1.4.2—Average per-farm value of farmland and buildings, by State, 1977-94¹

State	1977	1982	1987	1990	1991	1992	1993	1994
	<i>Dollars</i>							
Northeast	149,000	224,400	247,365	291,916	287,902	287,266	296,744	326,982
Maine	79,500	136,000	175,872	205,215	195,600	186,211	198,315	216,163
New Hampshire	120,000	180,400	288,539	377,976	355,531	331,414	379,101	413,220
Vermont	139,300	184,733	240,054	256,700	249,916	237,920	253,385	276,189
Massachusetts	126,600	212,000	305,618	370,846	355,965	338,879	360,665	393,125
Rhode Island	195,200	255,800	321,290	475,622	455,117	413,577	440,460	480,101
Connecticut	211,900	297,400	391,322	475,677	456,615	413,739	440,632	480,289
New York	125,000	162,500	198,798	212,509	225,192	226,793	241,534	270,035
New Jersey	257,100	341,500	394,880	497,726	520,790	494,287	469,763	501,237
Pennsylvania	145,900	221,900	231,057	276,164	268,523	280,035	270,679	295,852
Delaware	239,200	337,000	335,380	444,010	441,848	440,934	519,621	580,936
Maryland	214,700	363,000	298,238	358,224	320,844	317,961	369,700	420,349
Lake States	148,500	289,500	180,566	220,344	239,075	239,876	250,603	258,573
Michigan	130,500	227,600	178,311	201,000	217,000	221,058	232,438	249,406
Wisconsin	117,700	235,200	169,892	176,660	188,956	190,469	201,634	211,110
Minnesota	194,400	375,400	191,360	271,348	297,614	295,777	305,926	307,149
Corn Belt	252,100	401,500	240,317	304,978	321,221	330,110	345,247	371,844
Ohio	185,900	280,300	203,748	225,033	238,836	246,678	253,380	277,198
Indiana	223,200	356,600	232,358	298,194	313,846	320,657	347,047	374,117
Illinois	379,600	558,300	369,274	476,946	498,055	526,049	531,811	581,801
Iowa	340,500	544,100	246,111	354,971	379,995	385,832	414,735	438,375
Missouri	141,300	249,900	164,995	191,126	195,753	195,226	203,685	217,128
Northern Plains	260,600	466,800	301,075	391,528	409,007	421,524	442,452	475,853
North Dakota	279,300	504,200	367,727	405,000	450,521	438,707	475,120	501,252
South Dakota	213,400	414,100	297,115	415,518	443,263	460,375	473,585	496,791
Nebraska	304,100	550,400	320,098	454,474	467,636	478,391	496,831	543,533
Kansas	250,400	404,400	255,152	320,722	324,193	345,234	363,330	394,576
Appalachia	90,400	157,000	153,029	174,538	169,824	174,733	181,969	187,345
Virginia	115,600	179,000	214,234	293,313	253,244	269,573	259,038	267,587
West Virginia	88,100	139,400	111,589	110,639	115,625	132,943	128,822	131,913
North Carolina	95,900	167,400	188,853	197,598	198,880	200,160	210,071	214,902
Kentucky	86,600	148,900	127,765	148,732	149,057	153,827	167,979	177,218
Tennessee	83,600	146,700	129,563	138,769	140,818	141,094	151,319	151,925
Southeast	156,000	268,700	263,391	301,722	301,575	292,984	297,086	315,458
South Carolina	109,900	189,700	161,409	189,072	201,208	197,545	184,631	195,524
Georgia	147,600	227,400	240,708	263,542	261,728	237,335	259,107	264,289
Florida	318,900	497,100	469,378	554,305	559,913	555,089	547,783	582,293
Alabama	100,200	189,900	171,571	180,296	170,237	177,247	183,565	205,042
Delta States	140,200	314,600	232,794	245,651	259,212	250,264	260,178	274,241
Mississippi	119,300	268,400	214,788	236,600	253,979	248,442	252,246	271,417
Arkansas	152,600	311,500	233,351	247,340	259,457	243,889	254,189	267,661
Louisiana	184,800	384,600	255,629	254,484	265,467	262,345	280,344	288,474
Southern Plains	212,600	376,400	341,123	319,301	309,996	304,684	307,334	321,439
Oklahoma	186,400	332,700	220,936	234,300	229,114	236,482	245,232	255,532
Texas	224,100	381,190	386,513	351,290	340,600	331,145	331,168	346,733
Mountain	380,100	675,000	516,898	545,013	585,083	591,966	611,269	671,721
Montana	413,800	694,400	495,430	582,955	593,235	614,909	660,769	739,401
Idaho	289,100	506,100	330,974	415,399	415,724	441,521	455,003	516,429
Wyoming	444,100	742,300	620,905	582,607	591,600	523,816	559,120	631,246
Colorado	347,800	577,300	463,401	447,162	517,231	472,262	492,097	553,117
New Mexico	375,400	640,700	498,110	646,074	754,741	782,111	735,184	787,382
Arizona	816,900	1,415,600	1,317,923	1,213,846	1,282,500	1,359,835	1,388,064	1,429,706
Utah	266,900	509,100	375,104	333,008	342,398	363,723	400,093	437,302
Nevada	385,700	822,500	822,383	690,640	779,640	822,910	798,908	848,441
Pacific	293,500	577,700	451,451	473,886	492,303	490,712	504,399	526,705
Washington	253,400	387,700	318,279	336,865	345,081	342,474	347,411	399,175
Oregon	209,900	343,000	261,504	278,460	280,470	281,507	310,704	350,164
California	340,600	773,900	597,097	617,449	652,363	657,337	673,061	673,061
48 States	198,500	352,000	270,471	308,250	317,957	319,798	330,557	351,723

¹ Average per-farm value is estimated by dividing total value of farm real estate by the number of farms. Value data as of Feb. 1 for 1977 and 1987, April 1 for 1982, and Jan. 1 for 1990-94.

Source: Jones and Canning, 1993; USDA, 1993a.