

Supervisor of Assessments
Ford County, IL

FARMLAND ASSESSMENTS

Farmland Assessments are determined based on:

- 1) Type of soil (as determined by the 1985 soil survey)
- 2) Use of soil (crop, pasture, other, waste & road)
- 3) Individual Soil Method
- 4) Certified Values from Illinois Department of Revenue for each soil productivity index

(The market value or cost per acre of farmland is not a factor in determining the assessed value of farmland.)

The Certified Value of farmland is calculated as follows:

$$\begin{aligned} & \text{Gross income of farmland} \\ & - \text{ Non-land production costs} \\ & = \text{Net Land Income} \\ & \div \text{ 5 year Federal Land Bank Farmland Mortgage Interest Rate} \\ & = \text{Agricultural Economic Value} \\ & \div \text{ 3 } \\ & = \text{Equalized Assessed Value} \end{aligned}$$

A Certified Value for each productivity index is calculated by the Department of Revenue based on information they receive from a 5-person Farmland Assessment Technical Advisory Board. This board consists of technical experts from the colleges or schools of agriculture of the State universities as well as State and Federal agricultural agencies. The board's purpose is to advise and provide data and technical information needed to determine the assessed values for farmland each year.

Annual changes in Certified Values for each soil productivity index are limited by statute (35 ILCS 200/10-115):

(e) the equalized assessed value per acre of farmland for each soil productivity index, which shall be 33.33% of the agricultural economic value, or the percentage as provided under Section 17-5; but any increase or decrease in the equalized assessed value per acre by soil productivity index shall not exceed 10% from the immediate preceding year's soil productivity index certified assessed value **of the median cropped soil**; in tax year 2015 only, that 10% limitation shall be reduced by \$5 per acre.

Why did my farmland assessment change by more than 10%?

Beginning with the 2015 assessment year, changes have been made to the way certified values are calculated for Farmland Productivity Indexes (PI). Instead of a 10% limit on each PI, the 10% limit is calculated for the median PI and that dollar amount is then applied to all other PI's. For 2015 only an additional \$5 reduction is applied to all PI's. Additional information can be found on "Change to the Illinois Farmland Assessment Law".

Following are changes in the certified assessed values in the recent past:

2000 – down 10%
2001 – down 10%
2002 – down 10%
2003 – down 10%
2004 – down 10%
2005 – down 10%
2006 – mix (Bulletin 810)
2007 – mix up & down
2008 – up 10%
2009 – up 10%
2010 – up 10%
2011 – up 10%
2012 – up 10%
2013 – up 10%
2014 – up 10%

2015 – up various % (new legislation)

2016 – up various % (2015 additional \$5 reduction no longer applied)

2017 – up various %