

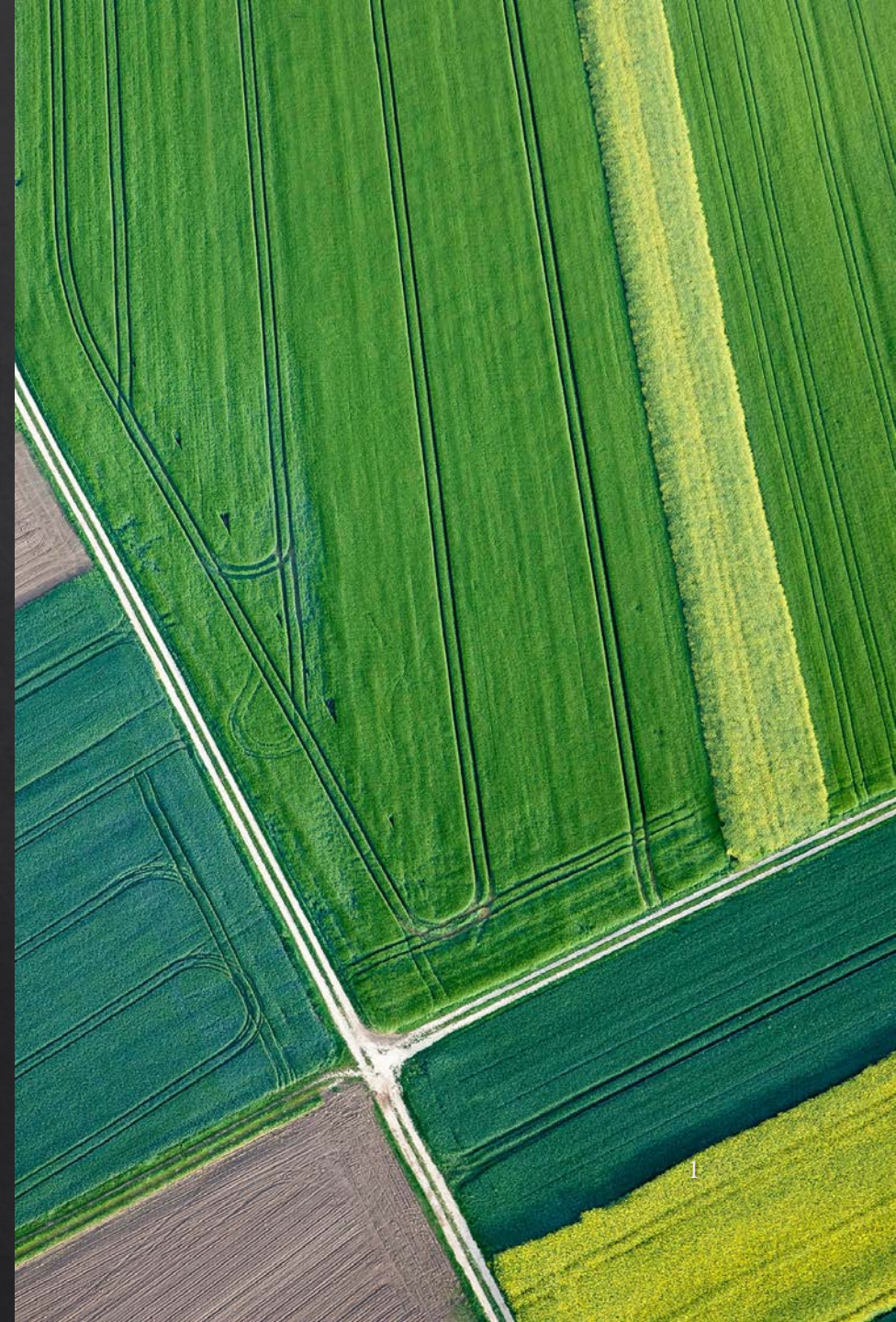
# 2023 Triennial Update Impact on CAUV

Kelly J Hettick

CAUV Specialist, Wayne County

August 29, 2023

[www.waynecountyauditor.org](http://www.waynecountyauditor.org)





# CAUV Eligibility

Ohio Revised Code Section 5713.30

# 10+ acres agricultural use

Used for commercial agriculture 3 years before first application

Agricultural production is for a commercial use

Noncommercial woods with 10 acres of commercial agriculture

Biodiesel, biomass energy, biologically derived methane gas production

Conservation program under contract with the federal government

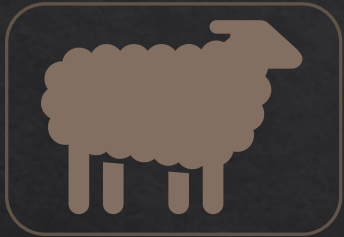
# Less than 10 acres

Used for commercial agriculture 3 years before first application

Average yearly gross income of \$2,500 from agricultural production

Conservation program under contract with the federal government

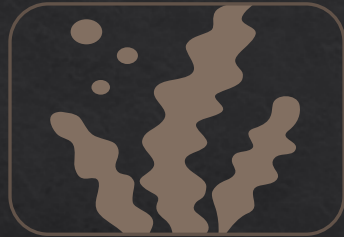
# Agricultural products



Animal or poultry  
husbandry



Aquaculture



Algaculture



Apiculture



Hemp, under  
cultivation license



Commercial  
timber



Field crops



Tobacco



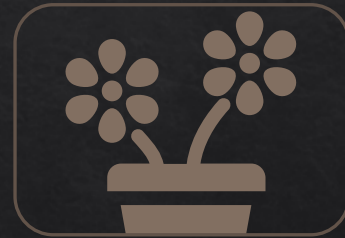
Fruits, Vegetables



Nursery stock,  
ornamental trees



Sod



Flowers

# Idle or Fallow Land

---

Use must be consistent with a return to agriculture

---

Up to one year idle may be qualified as CAUV

---

More than one year but less than three years idle may be qualified as CAUV by decision of the board of revision

---

If dredged material is stored or deposited by government contract, land may qualify as CAUV for up to five years

# Conservation Practices

25% or less of the total agricultural land

Practices used to reduce soil erosion

May include but is not limited to:

- grass waterways, terraces, diversions, filter strips, field borders, windbreaks, riparian buffers, wetlands, ponds, and cover crops

# Agritourism

Agricultural activity including you-pick operations and farm markets

On a farm that allows the public to observe or participate

Does not disqualify land for CAUV

Is not individually a qualifying use for commercial agriculture

# Ohio Forest Tax Law



50% reduction of the auditor's market value of land used for commercial timber



ODNR accepts and approves all applications



Cannot have both Forest Tax Law and CAUV

# Medical Marijuana

Licensing is required

Land does not qualify for CAUV

# CAUV Recoupment

Ohio Revised Code 5713.34

# Conversion of Land



# 3 THREE YEARS

## Recoupment

---

Added to the tax bill

---

Equal to the last three years  
tax savings

---

All or part of a tract



## Special Conservation Recoupment

---

Application has been made for minimum valuation of conservation land

---

Land converted from conservation to agricultural use

---

Conversion occurs less than 36 months after application for minimum value

---

Equal to tax savings between CAUV soil value and conservation minimum value

# Energy Facility

---

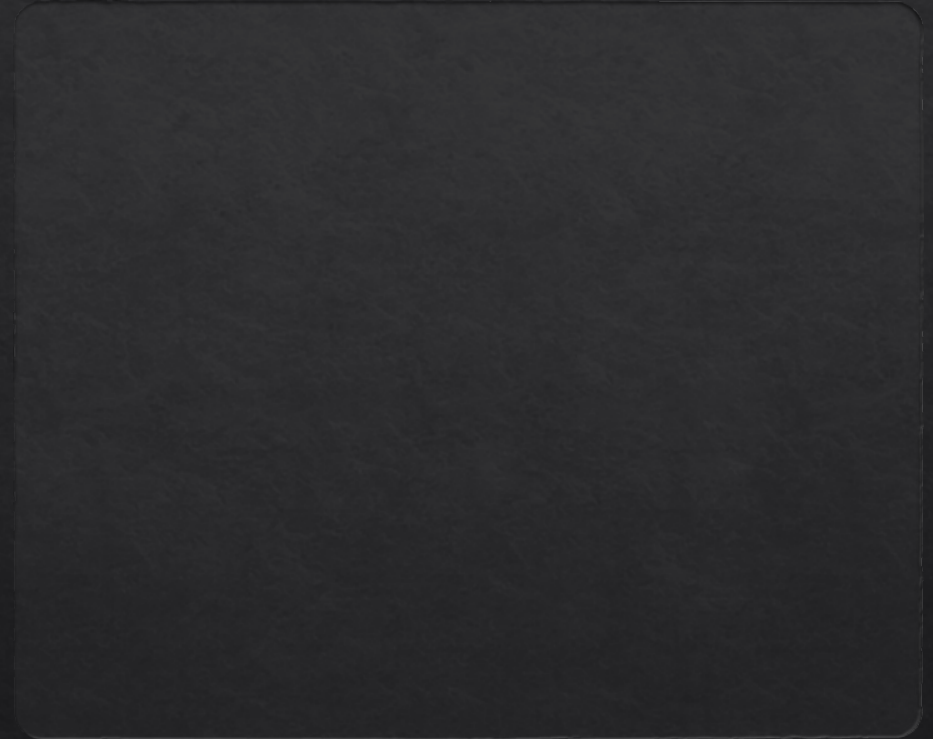
Farmed areas can qualify for  
CAUV

---

Energy facilities include solar and  
wind energy production

---

If part of the parcel continues as  
CAUV, recoupment is not charged





# Effect on Taxes

How does CAUV save tax dollars?

# Market Value



The most probable price which a property should bring in a fair sale

- The buyer and seller are motivated
- Parties are well informed and well advised
- Reasonable time advertised on the open market
- Payment is made by cash or typical financial arrangements
- No creative financing or sales concessions

# Finding Market Values

## Sales ratio

- Compare the auditor's market value to the actual sale price of a property

## Inverted sales ratio

- Percentage that sale prices are above or below the auditor's market values

# Lowest Market Value by Township

Congress Twp \$8,000	Canaan Twp \$10,000	Milton Twp \$10,000	Chippewa Twp \$10,000
Chester Twp \$8,000	Wayne Twp \$9,000	Green Twp \$10,000	Baughman Twp \$9,000
Plain Twp \$7,000	Wooster Twp \$8,000	East Union Twp \$12,000	Sugar Creek Twp \$12,000
Clinton Twp \$6,500	Franklin Twp \$10,000	Salt Creek Twp \$12,000	Paint Twp \$12,000



# CAUV soil values are based on Income Approach to value

Typical yields of corn, soybeans, and wheat

Cropping pattern, percentage of harvested corn, soybeans, and wheat

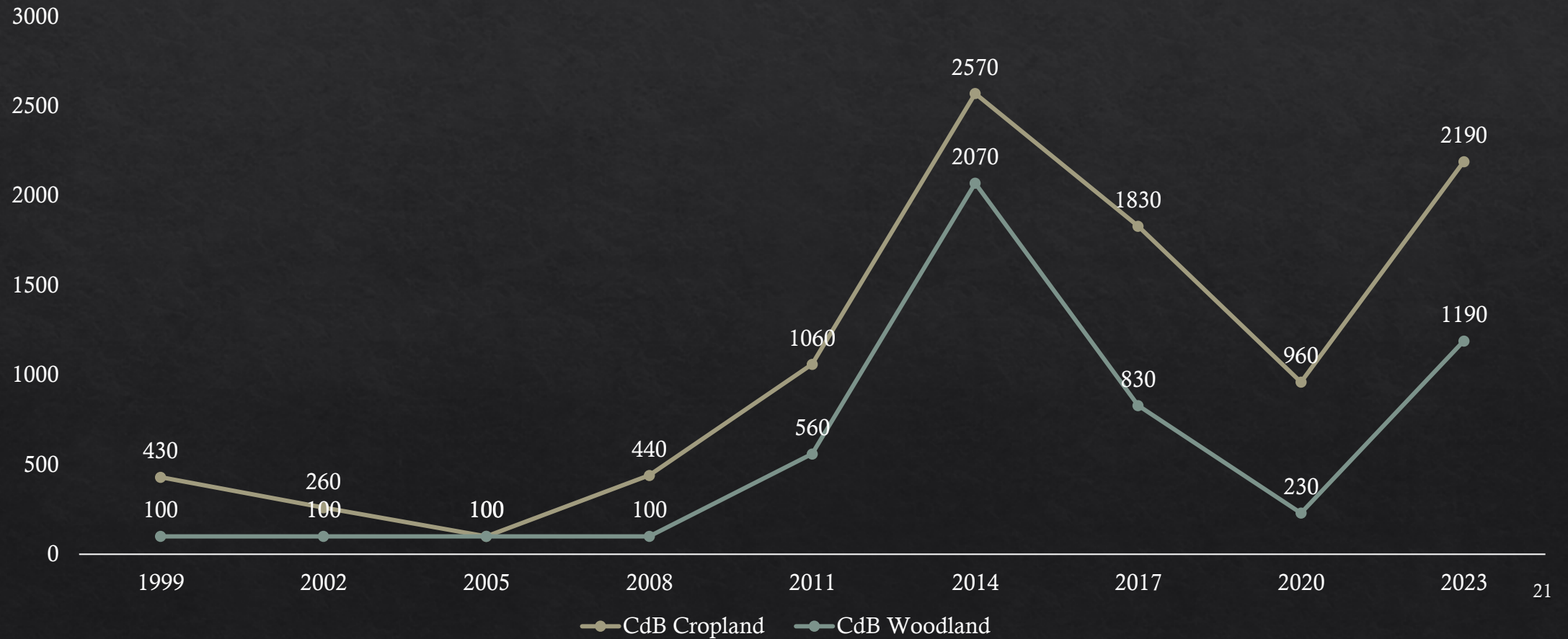
Crop prices weighted over five years

Non-land production costs

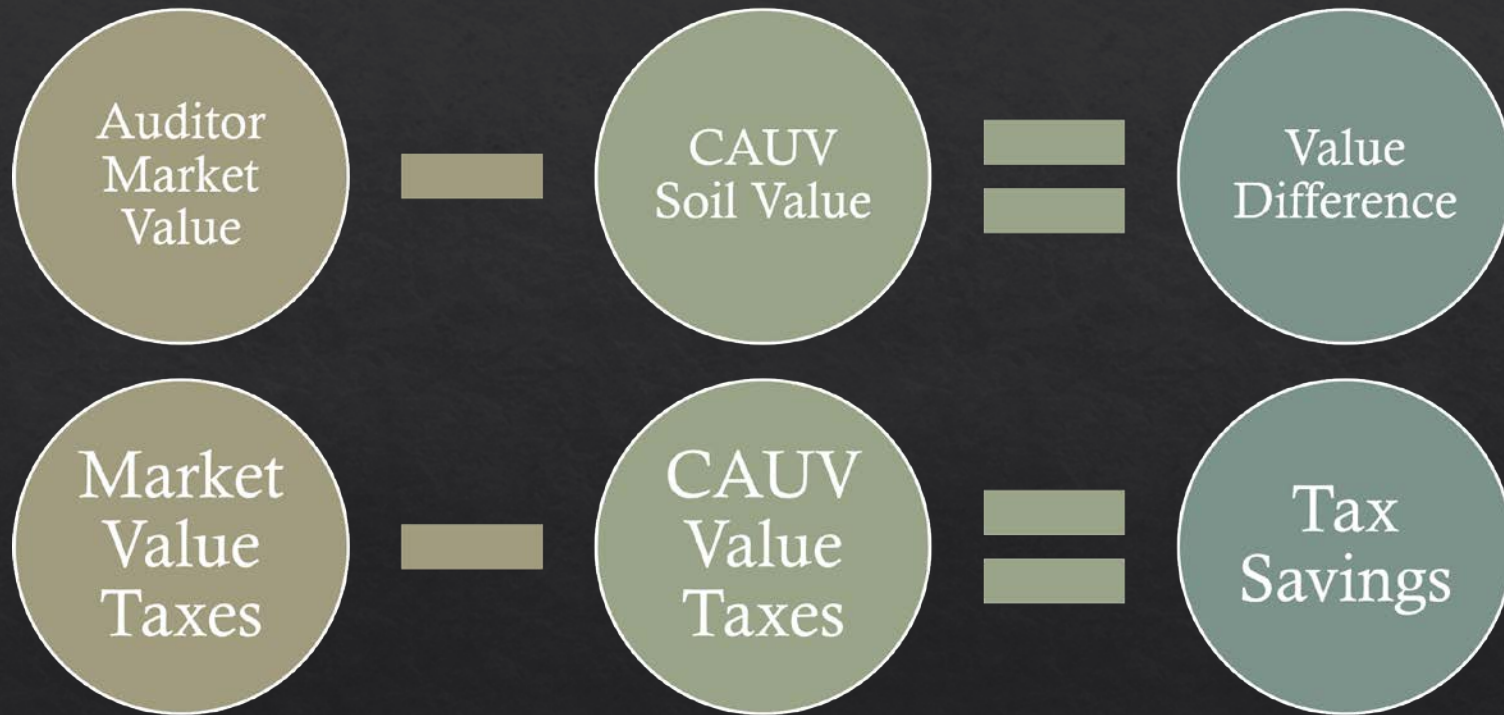
Market-derived capitalization rate

# CAUV Soil Values Over Time

## CdB Cropland and Woodland Values 1999 to 2023



Savings are the difference between taxes calculated on the market value from taxes calculated on the CAUV value



# Example of Tax Savings on One Acre

## Market Value

- \$10,000 Auditor Value
- \$134.00 Taxes per Year

## CAUV Value

- \$1,000 Soil Value
- \$14.00 Taxes per Year

# 90%

**WAYNE COUNTY  
AVERAGE  
SAVINGS PER ACRE**

2023 Changes  
for  
Wayne County

---

2023 soil values are  
increasing 80% to 100%

---

Market values of farmland  
are not changing

---

On a typical farm, CAUV  
will save 80% per acre



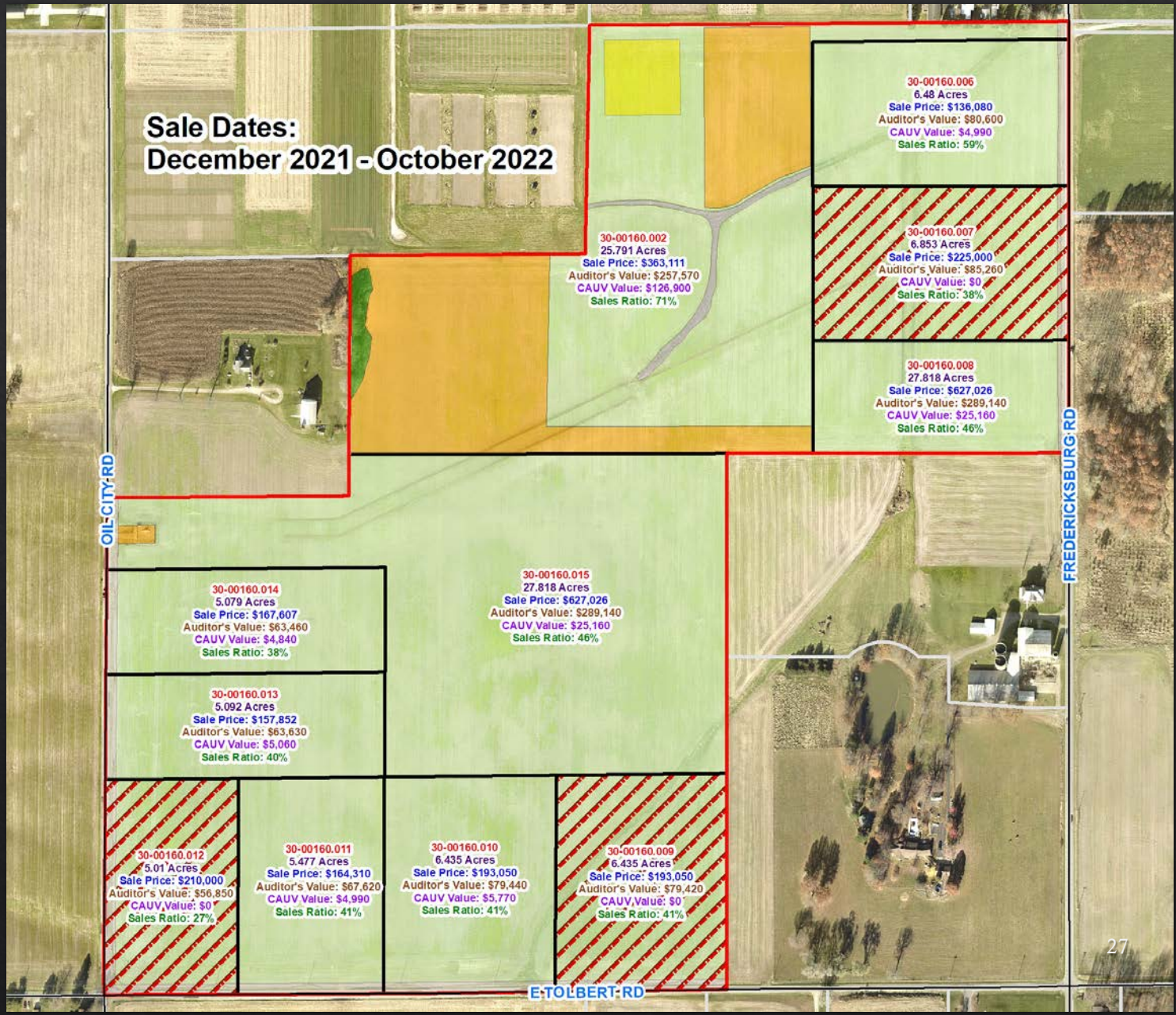
# Wayne County Land Sales

Examples

# Original parcel with 100 acres

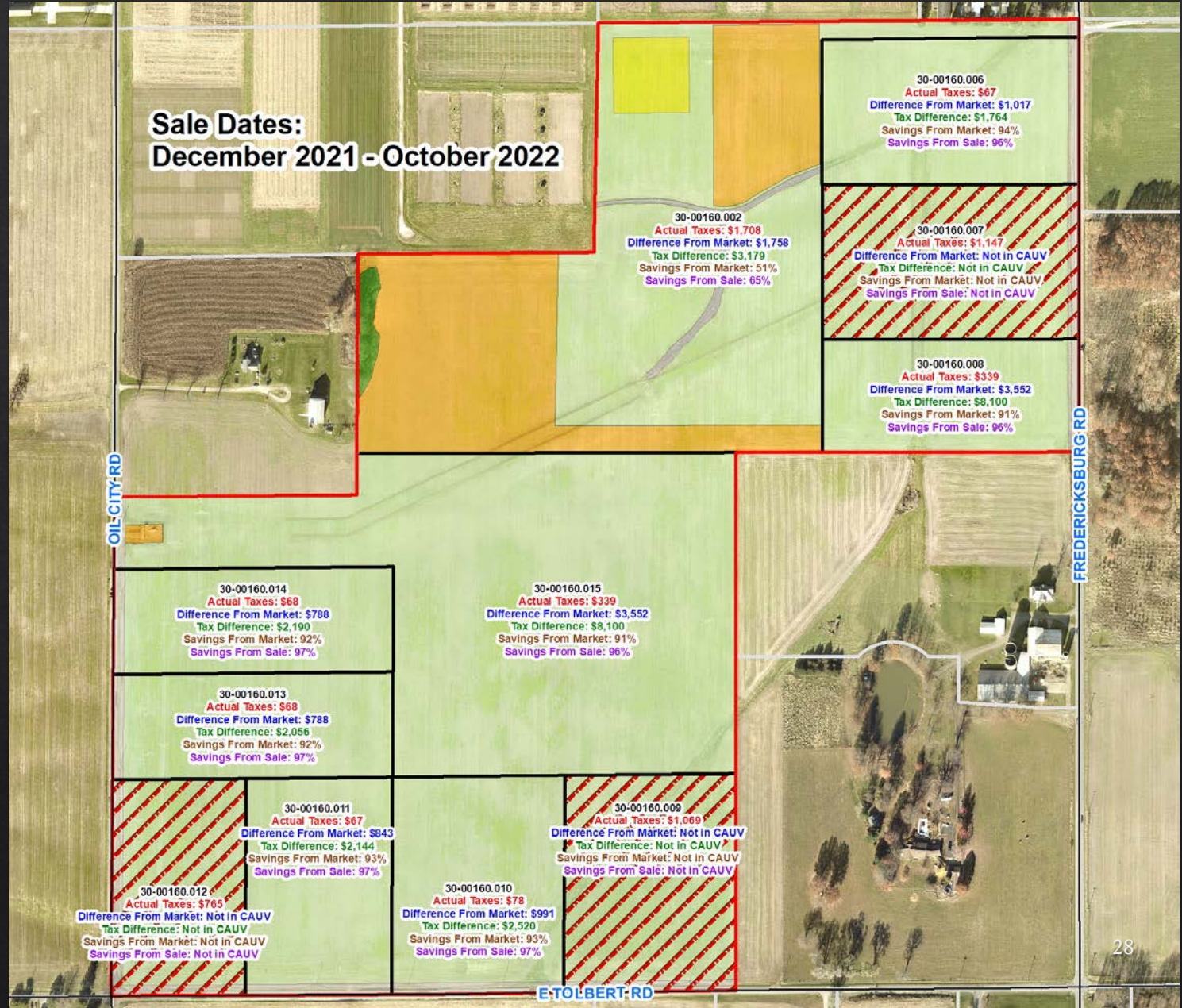


In less than a year, the parcel was split and sold as 11 separate tracts



# CAUV Taxes and Tax Savings

**Sale Dates:  
December 2021 - October 2022**





Parcel Number

• 30-00160.002

Parcel Size

• 25.791 acres

Sale Price

• \$363,111

Auditor Land Value

• \$257,570

CAUV Land Value

• \$126,900

Sales Ratio to Auditor Value

• 71%

Actual Taxes (CAUV)

• \$1,708

Tax Savings from Auditor Value

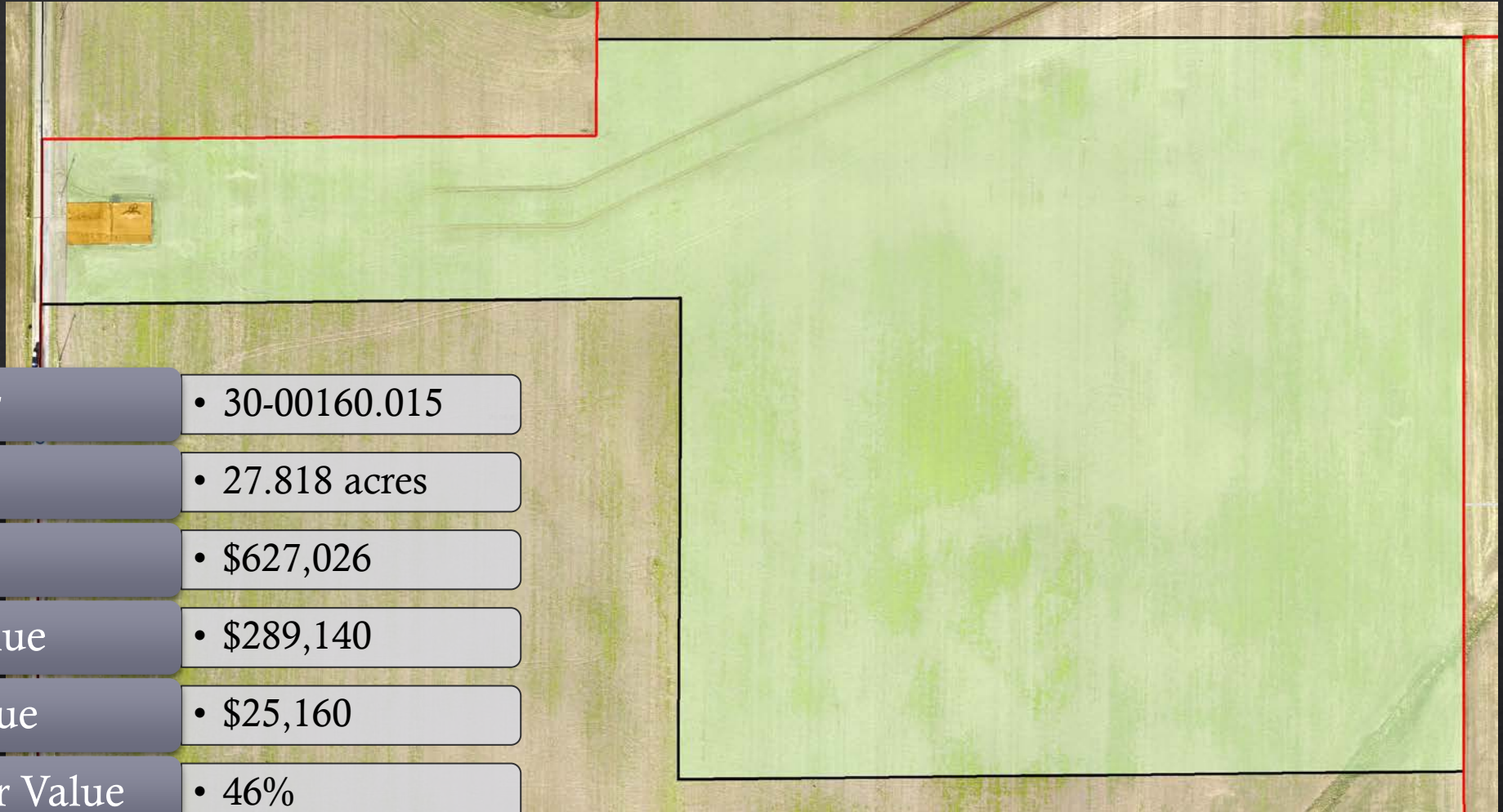
• 51%

Tax Savings from Sale Price

• 65%



Parcel Number	• 30-00160.011
Parcel Size	• 5.477 acres
Sale Price	• \$164,310
Auditor Land Value	• \$67,620
CAUV Land Value	• \$4,990
Sales Ratio to Auditor Value	• 41%
Actual Taxes (CAUV)	• \$67.00
Tax Savings from Auditor Value	• 93%
Tax Savings from Sale Price	• 97%

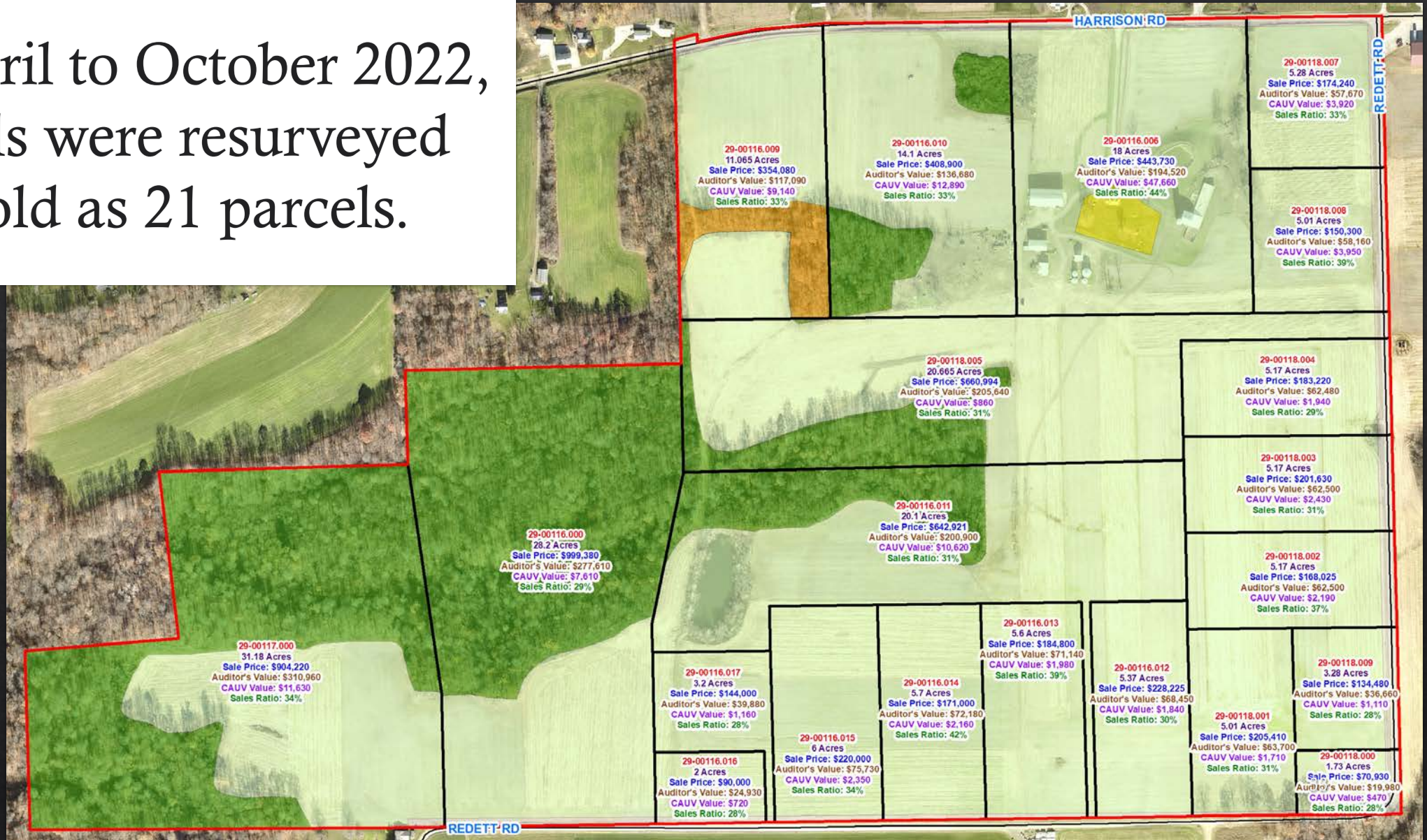


Parcel Number	• 30-00160.015
Parcel Size	• 27.818 acres
Sale Price	• \$627,026
Auditor Land Value	• \$289,140
CAUV Land Value	• \$25,160
Sales Ratio to Auditor Value	• 46%
Actual Taxes (CAUV)	• \$339.00
Tax Savings from Auditor Value	• 91%
Tax Savings from Sale Price	• 96%

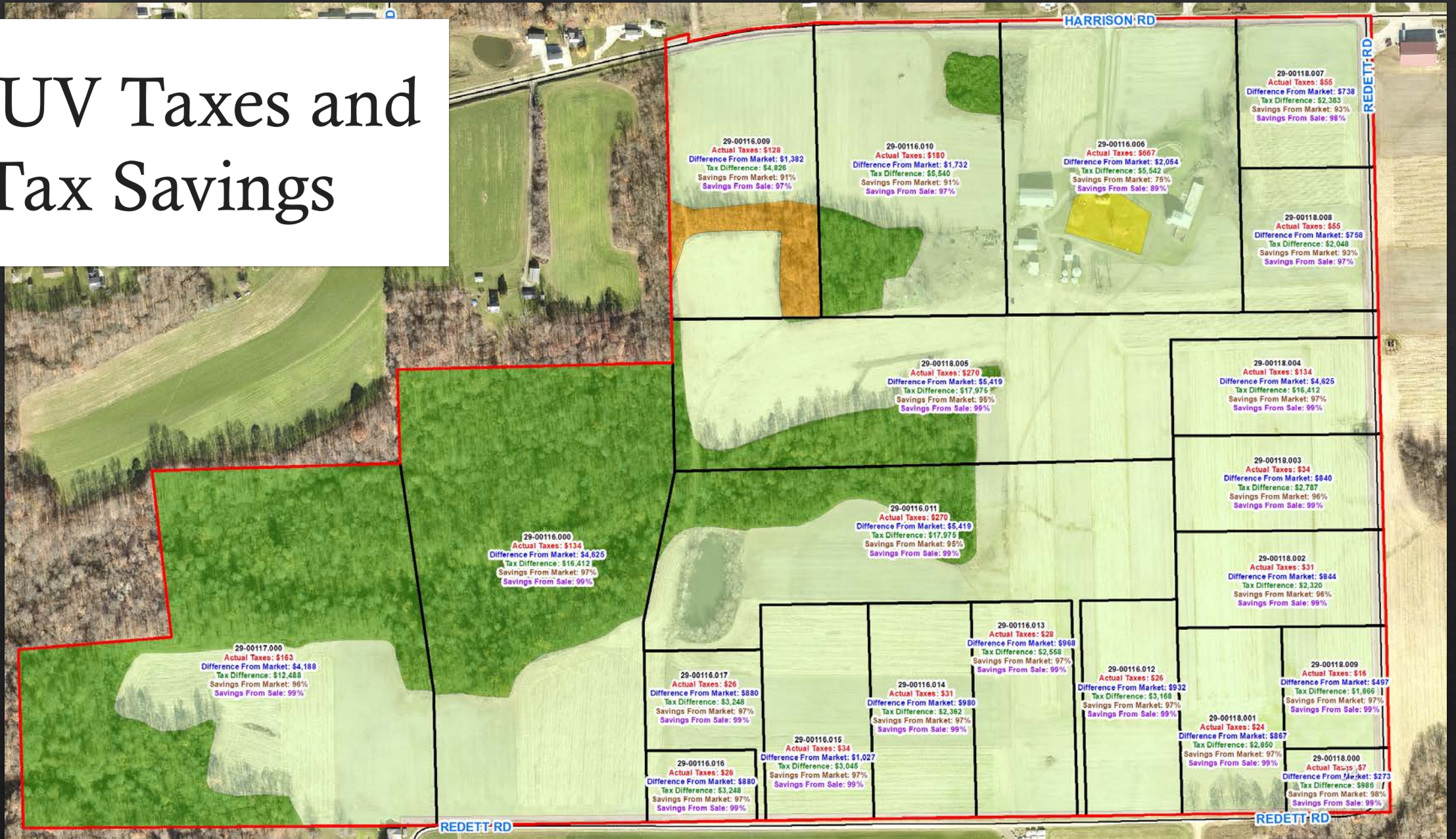
# Original area with 206 acres



From April to October 2022,  
3 parcels were resurveyed  
and sold as 21 parcels.



# CAUV Taxes and Tax Savings





Parcel Number	• 29-00116.000
Parcel Size	• 28.20 acres
Sale Price	• \$999,380
Auditor Land Value	• \$277,610
CAUV Land Value	• \$7,610
Sales Ratio to Auditor Value	• 29%
Actual Taxes (CAUV)	• \$134
Tax Savings from Auditor Value	• 97%
Tax Savings from Sale Price	• 99%

Parcel Number	• 29-00116.010
Parcel Size	• 14.10 acres
Sale Price	• \$408,900
Auditor Land Value	• \$136,680
CAUV Land Value	• \$12,890
Sales Ratio to Auditor Value	• 33%
Actual Taxes (CAUV)	• \$180.00
Tax Savings from Auditor Value	• 91%
Tax Savings from Sale Price	• 97%





Parcel Number	• 29-00118.004
Parcel Size	• 5.17 acres
Sale Price	• \$183,220
Auditor Land Value	• \$62,480
CAUV Land Value	• \$1,940
Sales Ratio to Auditor Value	• 29%
Actual Taxes (CAUV)	• \$134
Tax Savings from Auditor Value	• 97%
Tax Savings from Sale Price	• 99%

# CAUV Triennial Update

---

CAUV reduces taxable value of land used for commercial agriculture

---

Soil values change every 3 years

---

2023 tax savings are still 80% to 90% per acre of land

---

More information available at [www.waynecountyauditor.org](http://www.waynecountyauditor.org)

