Public Hearing: Current Agricultural Use Values (CAUV)

Tax Year 2026 – Proposed Final Values

Division of Tax Equalization: June 11, 2026

Department of Taxation

Tax.Ohio.gov

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Please contact the Department directly with any questions.

Department of Tax Equalization- 614-466-5744

Meeting Purpose and Agenda

Purpose: This is a public hearing for the Ohio Department of Taxation to present data on the proposed final Current Agricultural Use Values (CAUV) for tax year 2026.

Agenda:

- Permanent Pastureland Changes
- Data Sources
- CAUV Formula
- Formula Inputs
- Sample Calculations
- Year-to-Year Comparisons
- Questions and Comments

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Permanent Pastureland

Permanent Pastureland Changes

- Since 2010, permanent pasture has been valued as cropland for slopes less than 25 percent.
- OAC 5703-25-33(M)(4) states that values should be established for both pasture and woodland.
- The definition of permanent pasture:
  - Permanent pasture is agricultural land that grows grasses and other herbaceous forage without entering a crop rotation cycle. Permanent pasture in Ohio is land that is devoted exclusively to commercial animal husbandry, used continuously for grazing livestock, and maintained in that condition. The property should remain under pasture management without conversion to crops in order to both maintain its classification as permanent pasture and preserve its CAUV eligibility.

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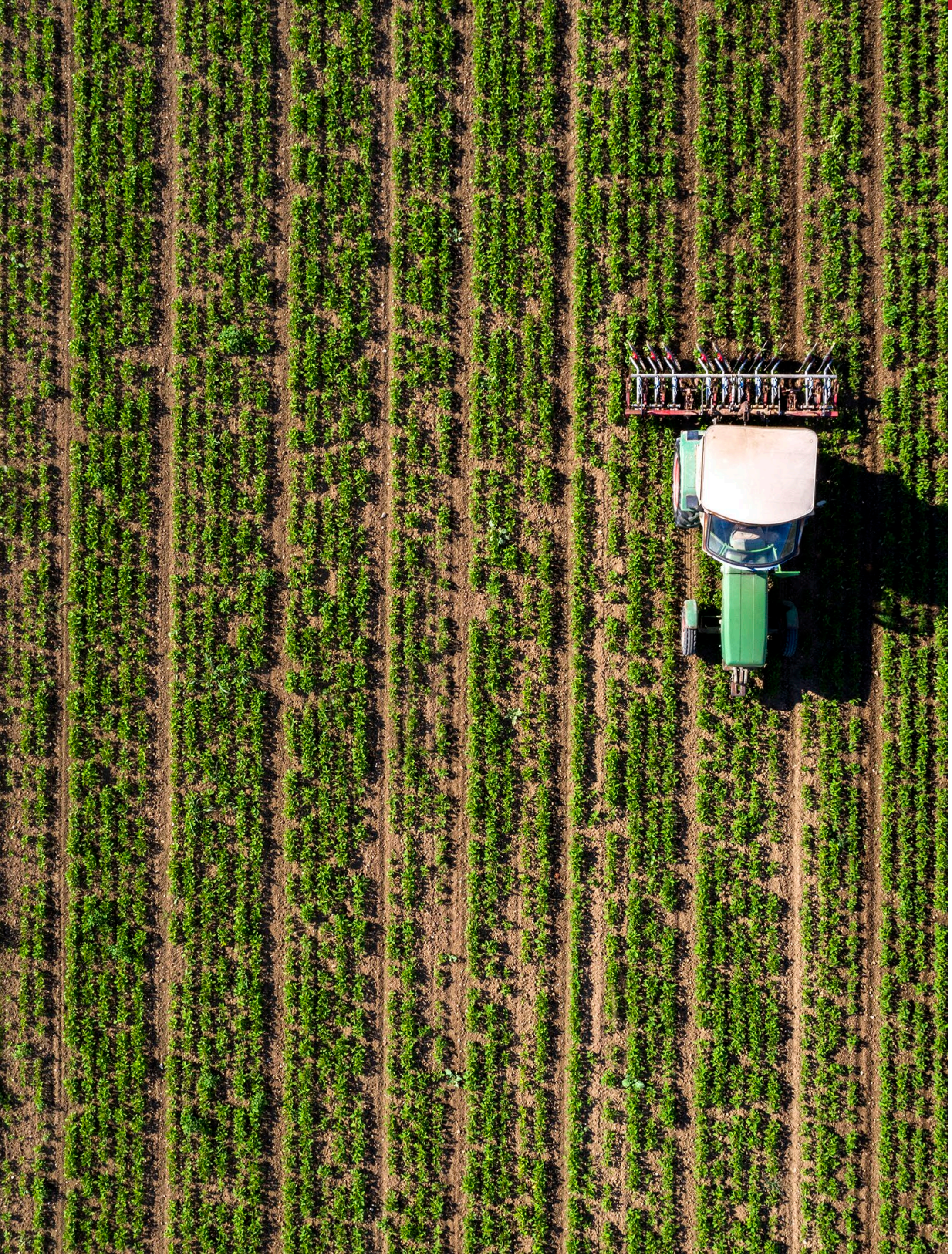
CAUV Formula

Data Sources and Formula Inputs



CAUV Formula Example

Gross Operating Income (GOI) = Crop Yield multiplied by Average Crop Price

Net Operating Income (NOI) = GOI minus Non-Land Production Costs

Value = NOI divided by the Capitalization Rate

Factors used in the CAUV Calculation

- **Income Factors:** Crop yields, crop prices, and cropping patterns
- **Expense Factors:** Non-land production costs
- Capitalization rate for net income

Cropping Yields and Cropping Patterns

Soil yields from 1984:

- Adjusted by 10-year average of actual yields per acre for 2016-2025.

Single crop pattern for most soils based on five-year average of acres harvested, 2021-2025:

- Corn: 37.7%
- Soybeans: 56.7%
- Wheat: 5.9%

Maintain 50% corn and 50% soybeans for organic and frequently flooded soils.

Crop Prices Used in Five Year Average

USDA, National Agricultural Statistics Service

Crop Values, 2025 Summary, February 2026

Crop Year	Corn	Soybeans	Wheat
2025	$4.25	$10.60	~~$5.10~~
2024	$4.28	$10.30	$5.46
2023	$4.39	$12.50	$6.13
2022	~~$6.28~~	~~$14.40~~	~~$7.85~~
2021	$5.92	$13.60	$6.49
2020	$4.69	$11.30	$5.27
2019	~~$3.91~~	~~$9.04~~	$5.22

Adjusted Crop Prices in the Formula, 2023-2026

USDA, National Agricultural Statistics Service

Crop Values, 2025 Summary, February 2026

Crop	2023	2025	2026	Variance 2023 – 2026	Variance 2025 – 2026
Corn	$4.21	$4.46	$4.49	$0.28 6.65%	$0.03 0.67%
Soybeans	$10.22	$10.90	$11.11	$0.89 8.71%	$0.21 1.93%
Wheat	$5.20	$5.53	$5.52	$0.32 6.15%	($0.01) -0.18%

Non-Land Production Cost Base and Added Unit

2023-2026: The Ohio State University, College of Food, Agricultural, and Environmental Sciences Crop Production Budgets, 2026 Summary, May 2026

Crop	2023	2025	2026	Variance 2023 – 2026	Variance 2025 – 2026
Corn	$509.17	$563.52	$593.42	$84.25	$29.90
Add’l Bushels	$1.31	$1.26	$1.35	$0.04	$0.09
Soybeans	$323.41	$349.55	$363.81	$40.40	$14.26
Add’l Bushels	$1.03	$1.22	$1.29	$0.26	$0.07
Wheat	$264.36	$288.28	$305.40	$41.04	$17.12
Add’l Bushels	$1.37	$1.51	$1.59	$0.22	$0.08

2026 Interest Rates

Farm Credit Services, February – May 2026

Farm Credit Services, 25-Year fixed multi-flex rate for loan amounts $75,000 and over.

Date	Rate	Term	Notes
2/05/2026	7.50%	25 Year	Bare Farm Ground – Fixed Rate
3/04/2026	7.45%	25 Year	Bare Farm Ground – Fixed Rate
4/06/2026	7.80%	25 Year	Bare Farm Ground – Fixed Rate
5/04/2026	7.75%	25 Year	Bare Farm Ground – Fixed Rate
6/01/2026	7.85%	25 Year	Bare Farm Ground – Fixed Rate
Average Rate 2026	**7.67%**	**Average Rate 2019-2025**	**6.8%**

Capitalization Rate, Tax Year 2023 and 2025

Farm Credit Services, February – May 2026

USDA Farm Sector Financial Ratios, February 2026

Capitalization Rate	2023	2026	Variance
Mortgage/Equity Ratio	80/20	80/20	2023-2026
Interest Rate, 25-Year Fixed Multi-Flex Loan*	5.76%	6.80%	1.05%
Equity Rate**	7.45%	7.81%	0.36%
Tax Additur	1.5%	1.4%	(-0.15%)
Capitalization Rate	8.00%	8.60%	0.60%

*Farm Credit Services, 25-Year fixed multi-flex rate for loan amounts $75,000 and over.

**25-year average rate of total return on farm equity

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Sample Calculations

2026 CAUV SAMPLE CALCULATION

SOIL:	Millgrove, Silt Loam
SLOPE:	0-2
EROSION:	Slight
DRAINAGE:	Very poorly
PROD. INDEX:	100

	CORN	BEANS	WHEAT
PI DAT yield/acre (1984)	144	52	64
% increased yield	1.52	1.47	1.78
adjusted yield/acre	219	77	114
X Crop Price/Unit	$4.49	$11.11	$5.52
= GROSS INCOME / ACRE	$982.71	$855.83	$629.85
YIELD / ACRE	219	77	114
BASE YIELD	145	45	61
= YIELD ABOVE BASE	74	32	53
X ADDED UNIT COST	$1.35	$1.29	$1.59
ADDED UNIT COST / ACRE	$99.87	$41.35	$84.40
BASE YIELD COST	$593.42	$363.81	$305.40
= TOTAL NON-LAND PROD. COSTS	$693.29	$405.16	$389.80
NET RETURN / ACRE	$289.43	$450.67	$240.05
X CROPPING PATTERN	37.4%	56.7%	5.9%
= ROTATIONAL NET RETURN / ACRE	$108.30	$255.35	$14.21
TOTAL ROTATIONAL NET RETURN	$377.87	-	-
BASE CAP RATE	8.60%	-	-
VALUE	$4393.81	Rounded	**$4,390**

SOIL:	Miami Silt Loam
SLOPE:	2-6
EROSION:	Slight
DRAINAGE:	Well
PROD. INDEX:	76

	CORN	BEANS	WHEAT
PI DAT yield/acre (1984)	108	38	50
% increased yield	1.52	1.47	1.78
adjusted yield/acre	165	56	89
X Crop Price/Unit	$4.49	$11.11	$5.52
= GROSS INCOME / ACRE	$740.40	$622.43	$491.72
YIELD / ACRE	165	56	89
BASE YIELD	145.00	45	61
= YIELD ABOVE BASE	20	11	28
X ADDED UNIT COST	$1.35	$1.29	$1.59
ADDED UNIT COST / ACRE	$26.99	$14.22	$44.59
BASE YIELD COST	$593.42	$363.81	$305.40
= TOTAL NON-LAND PROD. COSTS	$620.41	$378.02	$349.99
NET RETURN / ACRE	$119.99	$244.40	$141.74
X CROPPING PATTERN	37.4%	56.7%	5.9%
= ROTATIONAL NET RETURN / ACRE	$44.90	$138.48	$8.39
TOTAL ROTATIONAL NET RETURN	$191.77	-	-
BASE CAP RATE	8.60%	-	-
VALUE	$2,229.89	Rounded	**$2,230**

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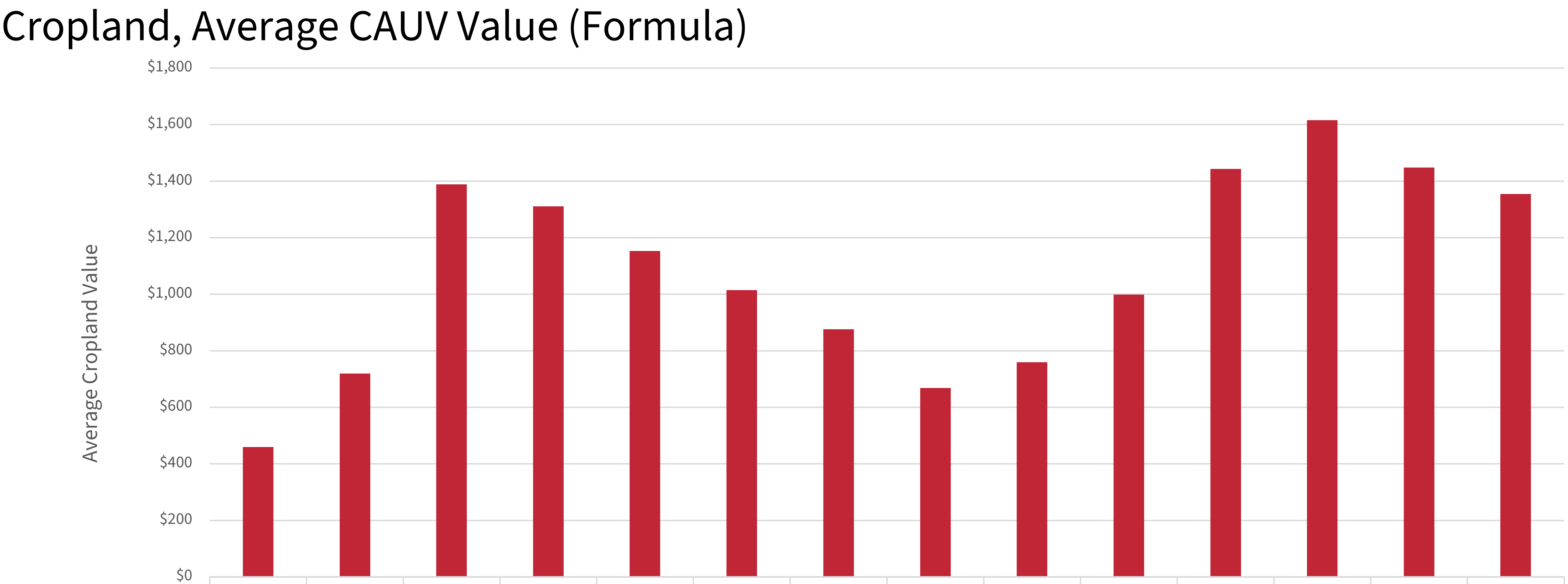
Year-to-Year Comparisons

Cropland, Simple Average CAUV Value by Productivity Index

Average CAUV Values by Year, 2018–2026

Productivity Index	2018	2019	2020	2021	2022	2023	2024	2025	Proposed Final 2026
0-49	350	350	350	350	350	350	350	350	350
50-59	400	378	351	358	409	607	691	599	546
60-69	896	731	488	598	915	1502	1728	1495	1372
70-79	1723	1469	1073	1253	1672	2364	2629	2388	2243
80-89	2586	2270	1783	1969	2439	3244	3548	3283	3128
90-99	3226	2863	2303	2512	3007	3871	4223	3937	3781
100+	3810	3420	2820	2990	3550	4430	4850	4530	4390
Average	1015	876	668	759	999	1443	1616	1448	1354
No. of Soils	3514	3514	3517	3517	3517	3517	3517	3517	3517

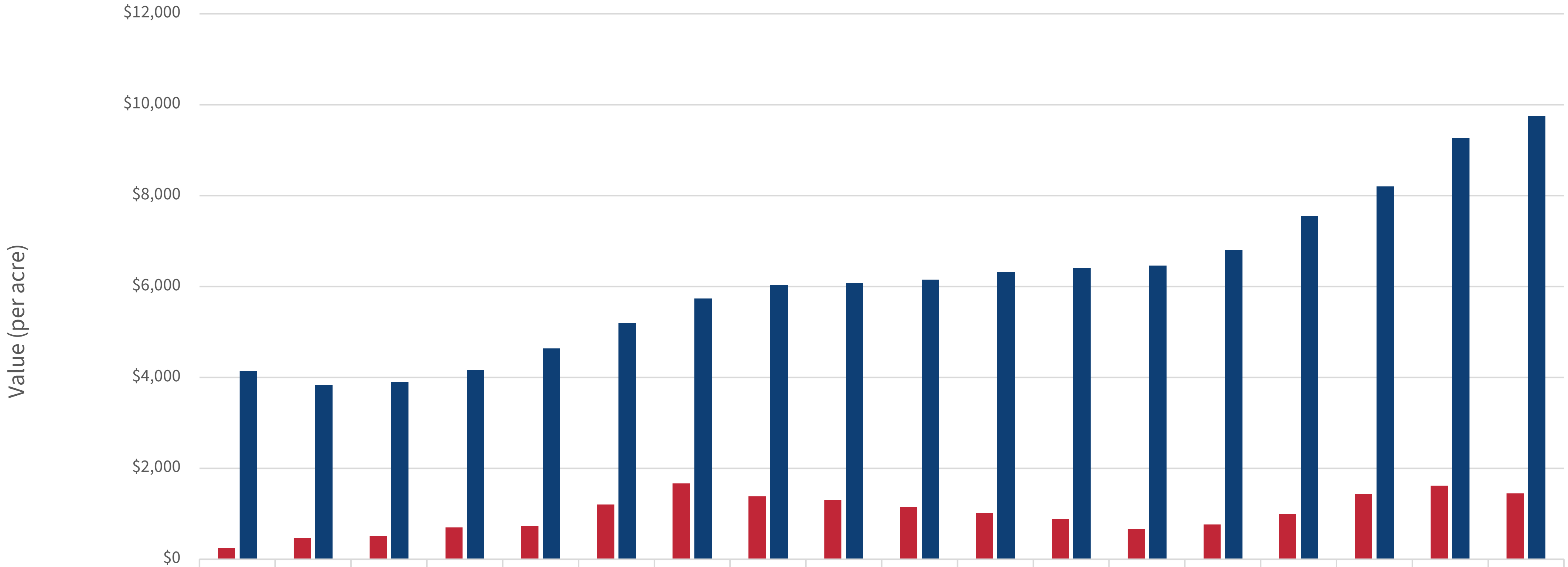
Cropland – Average CAUV Value



	2009	2012	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Average Cropland Value	$459	$719	$1,388	$1,310	$1,153	$1,015	$876	$668	$759	$999	$1,443	$1,616	$1,448	$1,354

Average CAUV (Formula) & Ohio Cropland Value

USDA Dollars per Acre, 2008 - 2025



	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
CAUV average of all soil types (per acre)	$249	$459	$505	$700	$719	$1,205	$1,668	$1,388	$1,310	$1,153	$1,015	$876	$668	$759	$999	$1,443	$1,616	$1,448
USDA Value (per acre)	$4,140	$3,830	$3,900	$4,160	$4,640	$5,190	$5,740	$6,030	$6,070	$6,150	$6,320	$6,400	$6,460	$6,800	$7,550	$8,200	$9,270	$9,750

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Woodland and Conservation

Average Woodland Value and Conservation

Average Woodland

Values	2022	2023	2024	2025	2026
Maximum Value: Slope of 25% or Less	$2,000	$2,890	$230	$230	$230
Median Value: Slope of 25% or Less	$230	$230	$230	$230	$230
Average Value: Slope of 25% or Less	$268	$341	$230	$230	$230
Minimum Value: All Slopes	$230	$230	$230	$230	$230
Number of Soils at Minimum Value: Slope 25% or Less	2,662	1,849	3,517	3,517	3,517

Average Woodland Value and Conservation

Conservation

- Land used for conservation practices (25%) or formal agreement with federal government receive:
  - Lowest value in the table ($230)

CAUV Program Savings

Taxable current agricultural use value of real property, taxable value of real property without CAUV, and the number of CAUV acres, by county for Tax Year 2025.

Taxable Value of Qualifying Agricultural Real Property

County	Number of Acres	Under Current Agricultural Use Method	Under Highest and Best Use Method
Total	15,980,107	$ 11,366,539,115	$ 37,601,689,750

Agricultural Advisory Committee

Department of Taxation

Contact Information

Thank you! As always, if you have any questions, please contact us. You can contact the Department of Tax Equalization by email at DTE@tax.ohio.gov or by phone at 614-466-5744 or reach us directly.

Jill McClintock

4485 Northland Ridge Blvd.
Columbus, Ohio 43229

614-466-3920

Jill.McClintock@tax.ohio.gov

Stephanie Stultz-Wynkoop

4485 Northland Ridge Blvd.
Columbus, Ohio 43229

614-752-8613

Stephanie.Stultz-Wynkoop@tax.ohio.gov

Resources

CAUV Information (2009 – 2025) Online

https://tax.ohio.gov/government/real-state/cauv

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Questions and Comments