



ADMINISTRATIVE RULES OF MONTANA

42.20.681 AGRICULTURAL COMMODITY PRICES AND VALUES

- (1) Commodity prices for the 2025-2026 appraisal cycle used for the determination of income are calculated using a 10-year Olympic average of prices from Montana Agricultural Statistics for the years 2014-2023. The department's Olympic average removes the highest price and the lowest price and averages the remaining eight prices. The commodity prices used for valuing agricultural land for the 2025-2026 appraisal cycle are as follows:
 - (a) Spring wheat price used in the valuation of non-irrigated summer fallow and non-irrigated continuous cropped farm lands is \$6.11 per bushel.
 - (b) Alfalfa hay price, reduced by 20 percent as required by 15-7-201, MCA, used in the valuation of irrigated and non-irrigated hay lands is \$124.20 per ton.
 - (c) Private grazing fees used in the valuation of grazing lands is \$24.69 per Animal Unit Month (AUM).
- (2) The minimum value of irrigated land as determined by the methodology detailed in ARM 42.20.675 is \$501.21 per acre.
- (3) The statewide grazing productivity average is .21 AUMs per acre, and is used in calculating the values of:
 - (a) nonqualified agricultural lands; and
 - (b) nonproductive patented mining claims.
- (4) For the 2025-2026 appraisal cycle the capitalization rate for Class 3 agricultural land, which is used to convert an ongoing income stream into an estimate of value is 6.4 percent.
- (5) For the 2025-2026 appraisal cycle the highest productivity of non-irrigated continuously cropped farmland is 60 bushels per acre, and is used in calculating the values of specialty crop land.
- (6) For the 2025-2026 appraisal cycle, the value of the one acre beneath a residence on agricultural land is \$2,326.
- (7) For the 2025-2026 appraisal cycle, the minimum carrying capacity for grazing land to be eligible for agricultural classification is 22 AUMs as determined by the Montana State University - Bozeman, College of Agriculture, in accordance with ARM 42.20.620.

Authorizing statute(s): 15-1-201, MCA

Implementing statute(s): 15-6-133, 15-7-201, 15-7-202, 15-7-206, 15-7-210, MCA

History: NEW, 2014 MAR p. 2994, Eff. 12/12/14; AMD, 2016 MAR p. 2341, Eff. 1/1/17; AMD, 2018 MAR p. 2546, Eff. 1/1/19; AMD, 2020 MAR p. 1881, Eff. 10/24/20; AMD, 2022 MAR p. 2366, Eff. 12/24/22; AMD, 2024 MAR p. 2553, Eff. 1/1/25.