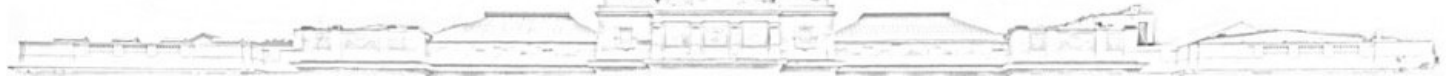




ADMINISTRATIVE RULES OF MONTANA



42.20.675 IRRIGATED AGRICULTURAL FARM LAND VALUATION

- (1) The department calculates productivity per acre values for irrigated farm land using the formula provided in 15-7-201, MCA. However, the department applies the formula per industry standard as $I/R=V$.
- (2) The department calculates net income per acre (I) by:
 - (a) multiplying the land's soil productivity by the average commodity price provided in ARM 42.20.681 to determine the gross income per acre;
 - (b) multiplying the gross income per acre by the land owner's typical crop share percentage for irrigated farm land which is 25%; and
 - (c) subtracting the \$50.00 allowable water cost per acre of irrigated farm land from the value determined in (2)(b).
- (3) The department calculates the minimum value of irrigated farm land by determining net income per acre (I) by:
 - (a) multiplying a productivity of 21 bushels of spring wheat per acre by the commodity price provided in ARM 42.20.681 to determine gross income per acre; and
 - (b) multiplying the gross income per acre by the land owner's typical crop share percentage for non-irrigated continuously cropped farm land which is 25%.
- (4) Pursuant to 15-7-201, MCA, the department assigns the irrigated farm land the higher per acre value as calculated in (2) and (3).

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

Implementing statute(s): 15-7-103, 15-7-201, MCA

History: Eff. 12/31/72; AMD, Eff. 2/3/77; AMD, 1985 MAR p. 2023, Eff. 12/27/85; AMD, 1993 MAR p. 3048, Eff. 12/24/93; AMD, 1996 MAR p. 1172, Eff. 4/26/96; TRANS from ARM 42.20.146 and AMD, 2003 MAR p. 1888, Eff. 8/29/03; AMD, 2006 MAR p. 3103, Eff. 12/22/06; AMD, 2010 MAR p. 549, Eff. 2/26/10; AMD, 2014 MAR p. 2994, Eff. 12/12/14; AMD, 2016 MAR p. 2341, Eff. 1/1/17; AMD, 2020 MAR p. 188, Eff. 2/1/20; AMD, 2020 MAR p. 1881, Eff. 10/24/20; AMD, Notice No. 2025-21, Eff. 3/29/25.