



## ADMINISTRATIVE RULES OF MONTANA



### 42.20.676 NON-IRRIGATED AGRICULTURAL LAND VALUATION

- (1) The department calculates productivity per acre values for non-irrigated agricultural land subclasses described in (3) and (4) using the statutory 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) for the land subclasses in (3) 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; and
  - (b) multiplying the gross income per acre by the land owner's typical crop share percentage.
- (3) The land owner's typical crop share percentage for non-irrigated summer fallow farm land is 12.5% and for non-irrigated continuously cropped farm land and non-irrigated continuously cropped hay land is 25%.
- (4) For grazing land, the department determines net income per acre by deducting the land owner's expenses of 25% from the gross income per acre value.

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

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

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**History:** NEW, 2020 MAR p. 188, Eff. 2/1/20.