

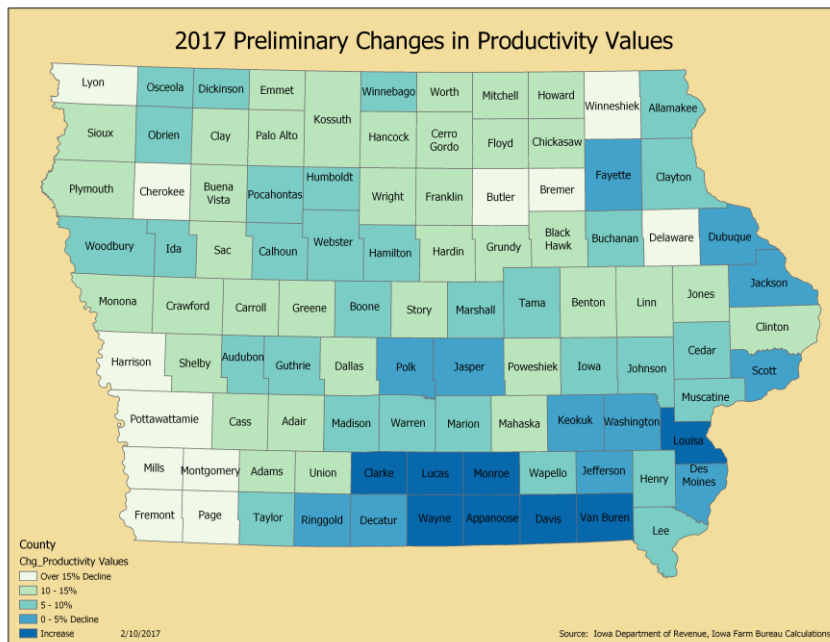
## New Productivity Values for 2017 Released

The Iowa Department of Revenue has released the preliminary productivity values for agricultural land for the 2017 assessment year. The statewide assessment for an acre of land based on productivity decreased 10.6% to \$1926 an acre. This decrease is the first since 2003 when it declined 19 percent. Even with a double digit decline at the statewide level, some counties did see an increase in the five year moving average calculation. Clarke County saw the largest increase at 8.5%, while the largest decline in the productivity value of 20.9% occurred in Montgomery County.

Both the income and expenses on agricultural land is calculated for each county. It uses a five year moving average to help reduce the peaks and valleys of year to year data. Income includes revenue from corn, soybeans, wheat, hay and some government programs. The USDA provides the information for many of these data points. Expenses included are inputs, fertilizer, insurance, operating costs, and taxes. After the net income per acre is calculated it is capitalized at a 7% rate to simulate the return on the investment of the land. This final per acre number is multiplied by the number of agricultural acres in the county to determine the final value of all agricultural land in each county.

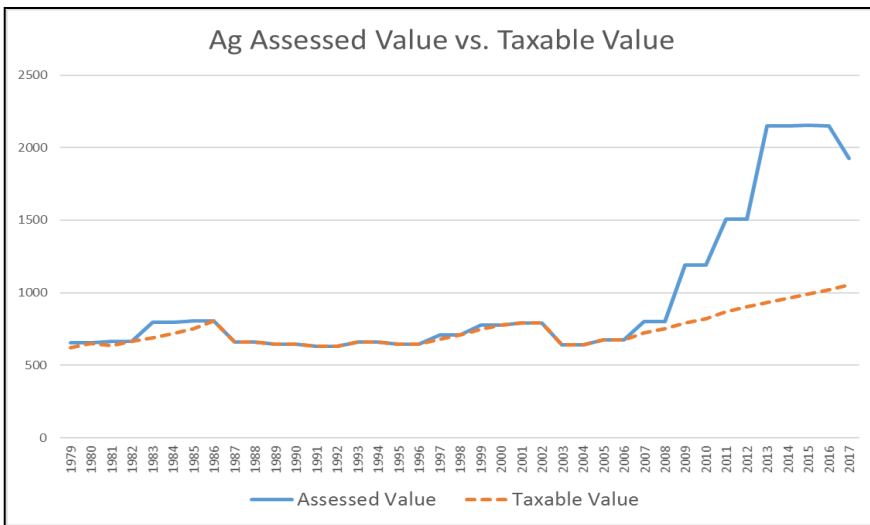
Assessors will mail new assessment notices during the end of March and the first part of April for all classes of property. The new notices will just show the assessed value; it will not show the taxable value because the

final percentage of the rollback will not be determined until October. The new valuations will not be used for taxation until next spring when the 2019 Fiscal Year budgets are finalized. Taxes will not be paid based on these assessments until September of 2018.



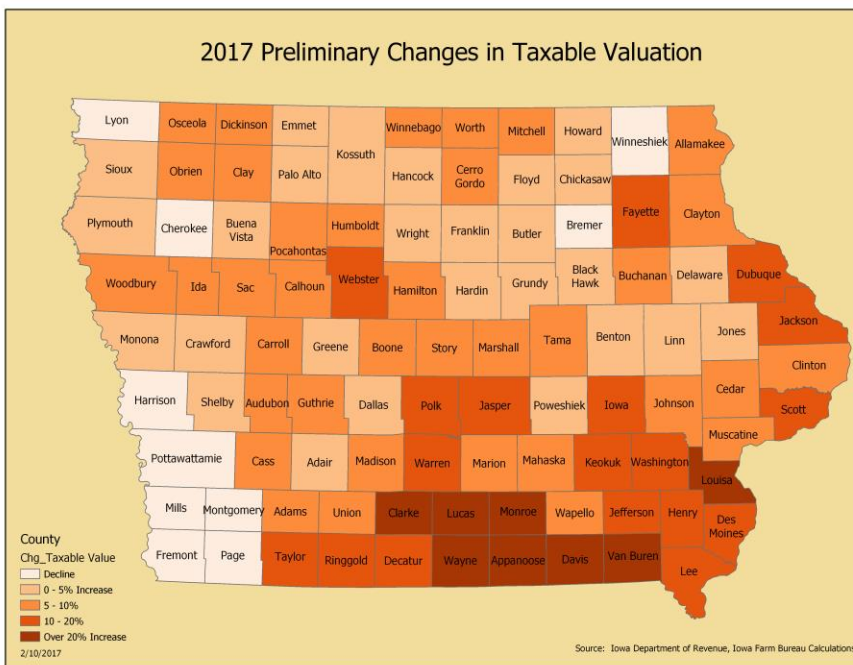
New data from 2014 and 2015 were incorporated into the five year moving average which determines the valuation of land in the state. Data from 2011 to 2015 was used to calculate 2017 values. Lower commodity prices in 2014 and 2015 compared to the prices in 2009 and 2010 had a significant impact in the lowering of the productivity values.

Four cycles (2007, 2009, 2011, 2013) had state average increases of over 20%. With such large increases a significant rollback on agricultural land has been created. The rollback exists to keep taxable valuations on a class of property across the state to a 3% increase each year. Individual properties can increase more than that especially if a county has a productivity value increase much higher than the state average. But the last two cycles have been different. In 2015 the state average only increased 0.1% and this year's actually declined. Taxable valuation at the state level will be released from the rollback for 2017 and ag land across the state will be assessed on approximately 55% of its productivity value.



Because the rollback is released, taxable valuations will increase in many counties even if the actual productivity value in the county declined. This occurs when the rollback is released to allow the entire class of agricultural property in the state to grow at 3 percent. The dashed line will continue to increase 3% every year until it meets the solid line at some point in the future. When those lines meet, the rollback will be eliminated and ag land will be taxed on its full productivity value. History shows that most years' ag land has been taxed at its full value, but the large increases since 2005

have created the rollback and may take a few years to remove.



Taxable valuations after the rollback are higher than the changes in the productivity values. This is because of the rollback that is released to obtain a 3% growth in ag taxable values across the state. Ten counties had significant enough declines (over 16%) in their productivity values that the taxable values will still be lower. On the other side of the ledger eight counties who had their productivity values increase will see taxable valuations increase 20% or more on agricultural land as a whole in the county.

Counties with significant increases in taxable valuation will have to make sure to adjust their levy rates and only capture the valuation they need for services, and not put

an excess of taxpayer's money into reserves or used for unneeded expenditures.

The assessments only determine the burden of each individual property taxpayer compared to the next. Any changes in the tax bill you receive in September of every year is determined by your local elected officials in your city, county or school district. The budget decisions made by county supervisors and the local school board impact over 90% of the property taxes any rural landowner pays.

An attachment contains the changes in the productivity and estimated taxable value changes for each county. The taxable value changes are only an estimate until the final rollback percentage is released in October of this year.

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County	2015	2017	Percentage Change	2015	2017	Percentage Change
	Productivity Value	Productivity Value		Taxable Value	Taxable Value	
ADAIR	\$ 1,708	\$ 1,502	-12.1%	\$ 788	\$ 822	4.3%
ADAMS	\$ 1,602	\$ 1,436	-10.4%	\$ 739	\$ 785	6.3%
ALLAMAKEE	\$ 1,667	\$ 1,526	-8.5%	\$ 769	\$ 834	8.6%
APPANOOSE	\$ 660	\$ 668	1.2%	\$ 304	\$ 365	20.1%
AUDUBON	\$ 2,016	\$ 1,817	-9.9%	\$ 929	\$ 994	6.9%
BENTON	\$ 2,581	\$ 2,221	-14.0%	\$ 1,190	\$ 1,215	2.1%
BLACK HAWK	\$ 2,477	\$ 2,131	-14.0%	\$ 1,142	\$ 1,166	2.1%
BOONE	\$ 2,199	\$ 1,984	-9.8%	\$ 1,014	\$ 1,085	7.0%
BREMER	\$ 2,547	\$ 2,094	-17.8%	\$ 1,174	\$ 1,145	-2.5%
BUCHANAN	\$ 2,325	\$ 2,104	-9.5%	\$ 1,072	\$ 1,151	7.3%
BUENA VISTA	\$ 2,422	\$ 2,092	-13.6%	\$ 1,117	\$ 1,144	2.5%
BUTLER	\$ 2,269	\$ 1,928	-15.0%	\$ 1,046	\$ 1,054	0.8%
CALHOUN	\$ 2,123	\$ 1,956	-7.8%	\$ 979	\$ 1,070	9.3%
CARROLL	\$ 2,285	\$ 2,033	-11.0%	\$ 1,054	\$ 1,112	5.5%
CASS	\$ 2,167	\$ 1,939	-10.5%	\$ 999	\$ 1,060	6.1%
CEDAR	\$ 2,675	\$ 2,408	-10.0%	\$ 1,234	\$ 1,317	6.8%
CERRO GORDO	\$ 2,141	\$ 1,901	-11.2%	\$ 987	\$ 1,039	5.3%
CHEROKEE	\$ 2,895	\$ 2,413	-16.7%	\$ 1,335	\$ 1,320	-1.1%
CHICKASAW	\$ 2,390	\$ 2,110	-11.7%	\$ 1,102	\$ 1,154	4.7%
CLARKE	\$ 774	\$ 840	8.5%	\$ 357	\$ 459	28.7%
CLAY	\$ 2,576	\$ 2,292	-11.0%	\$ 1,188	\$ 1,253	5.5%
CLAYTON	\$ 1,906	\$ 1,758	-7.8%	\$ 879	\$ 962	9.4%
CLINTON	\$ 2,629	\$ 2,334	-11.2%	\$ 1,212	\$ 1,276	5.3%
CRAWFORD	\$ 2,359	\$ 2,048	-13.2%	\$ 1,088	\$ 1,120	3.0%
DALLAS	\$ 1,978	\$ 1,740	-12.1%	\$ 912	\$ 951	4.3%
DAVIS	\$ 817	\$ 867	6.1%	\$ 377	\$ 474	25.9%
DECATUR	\$ 685	\$ 661	-3.5%	\$ 316	\$ 361	14.5%
DELAWARE	\$ 2,557	\$ 2,160	-15.5%	\$ 1,179	\$ 1,181	0.2%
DES MOINES	\$ 2,050	\$ 1,958	-4.5%	\$ 945	\$ 1,071	13.3%
DICKINSON	\$ 2,298	\$ 2,075	-9.7%	\$ 1,060	\$ 1,135	7.1%
DUBUQUE	\$ 2,203	\$ 2,101	-4.6%	\$ 1,016	\$ 1,149	13.1%
EMMET	\$ 2,375	\$ 2,088	-12.1%	\$ 1,095	\$ 1,142	4.3%
FAYETTE	\$ 2,276	\$ 2,173	-4.5%	\$ 1,049	\$ 1,188	13.2%
FLOYD	\$ 2,264	\$ 1,937	-14.5%	\$ 1,044	\$ 1,059	1.5%
FRANKLIN	\$ 2,454	\$ 2,172	-11.5%	\$ 1,131	\$ 1,188	5.0%
FREMONT	\$ 2,422	\$ 1,939	-19.9%	\$ 1,117	\$ 1,061	-5.0%
GREENE	\$ 2,154	\$ 1,890	-12.3%	\$ 993	\$ 1,034	4.1%
GRUNDY	\$ 2,729	\$ 2,390	-12.4%	\$ 1,258	\$ 1,307	3.9%
GUTHRIE	\$ 1,496	\$ 1,374	-8.1%	\$ 690	\$ 752	9.0%
HAMILTON	\$ 2,224	\$ 2,023	-9.1%	\$ 1,025	\$ 1,106	7.9%
HANCOCK	\$ 2,396	\$ 2,040	-14.8%	\$ 1,105	\$ 1,116	1.0%
HARDIN	\$ 2,364	\$ 2,072	-12.4%	\$ 1,090	\$ 1,133	4.0%
HARRISON	\$ 2,299	\$ 1,896	-17.5%	\$ 1,060	\$ 1,037	-2.2%
HENRY	\$ 1,652	\$ 1,550	-6.2%	\$ 762	\$ 848	11.3%

County	2015	2017	Percentage Change	2015	2017	Percentage Change
	Productivity Value	Productivity Value		Taxable Value	Taxable Value	
HOWARD	\$ 2,212	\$ 1,896	-14.3%	\$ 1,020	\$ 1,037	1.6%
HUMBOLDT	\$ 2,357	\$ 2,158	-8.4%	\$ 1,087	\$ 1,180	8.6%
IDA	\$ 2,625	\$ 2,393	-8.9%	\$ 1,210	\$ 1,309	8.1%
IOWA	\$ 1,997	\$ 1,862	-6.8%	\$ 921	\$ 1,018	10.6%
JACKSON	\$ 1,937	\$ 1,897	-2.1%	\$ 893	\$ 1,037	16.1%
JASPER	\$ 1,979	\$ 1,953	-1.3%	\$ 913	\$ 1,068	17.0%
JEFFERSON	\$ 1,632	\$ 1,583	-3.0%	\$ 752	\$ 866	15.1%
JOHNSON	\$ 1,953	\$ 1,798	-7.9%	\$ 900	\$ 983	9.2%
JONES	\$ 2,352	\$ 2,059	-12.5%	\$ 1,085	\$ 1,126	3.8%
KEOKUK	\$ 1,835	\$ 1,810	-1.4%	\$ 846	\$ 990	17.0%
KOSSUTH	\$ 2,590	\$ 2,256	-12.9%	\$ 1,194	\$ 1,234	3.3%
LEE	\$ 1,446	\$ 1,359	-6.0%	\$ 667	\$ 743	11.5%
LINN	\$ 2,363	\$ 2,077	-12.1%	\$ 1,089	\$ 1,136	4.3%
LOUISA	\$ 2,176	\$ 2,235	2.7%	\$ 1,003	\$ 1,222	21.8%
LUCAS	\$ 762	\$ 798	4.6%	\$ 352	\$ 436	24.1%
LYON	\$ 3,086	\$ 2,475	-19.8%	\$ 1,423	\$ 1,354	-4.9%
MADISON	\$ 1,229	\$ 1,111	-9.5%	\$ 566	\$ 608	7.3%
MAHASKA	\$ 2,279	\$ 2,033	-10.8%	\$ 1,051	\$ 1,112	5.8%
MARION	\$ 1,650	\$ 1,521	-7.8%	\$ 761	\$ 832	9.3%
MARSHALL	\$ 2,409	\$ 2,216	-8.0%	\$ 1,111	\$ 1,212	9.1%
MILLS	\$ 2,646	\$ 2,218	-16.2%	\$ 1,220	\$ 1,213	-0.6%
MITCHELL	\$ 2,234	\$ 1,986	-11.1%	\$ 1,030	\$ 1,086	5.4%
MONONA	\$ 2,213	\$ 1,950	-11.9%	\$ 1,020	\$ 1,067	4.5%
MONROE	\$ 680	\$ 694	2.1%	\$ 314	\$ 380	21.1%
MONTGOMERY	\$ 2,223	\$ 1,759	-20.9%	\$ 1,025	\$ 962	-6.1%
MUSCATINE	\$ 2,210	\$ 2,033	-8.0%	\$ 1,019	\$ 1,112	9.1%
OBRIEN	\$ 2,887	\$ 2,606	-9.7%	\$ 1,331	\$ 1,425	7.1%
OSCEOLA	\$ 2,718	\$ 2,457	-9.6%	\$ 1,253	\$ 1,344	7.2%
PAGE	\$ 2,048	\$ 1,713	-16.4%	\$ 944	\$ 937	-0.8%
PALO ALTO	\$ 2,475	\$ 2,127	-14.1%	\$ 1,141	\$ 1,163	1.9%
PLYMOUTH	\$ 2,476	\$ 2,112	-14.7%	\$ 1,141	\$ 1,155	1.2%
POCAHONTAS	\$ 2,528	\$ 2,279	-9.8%	\$ 1,165	\$ 1,247	7.0%
POLK	\$ 1,571	\$ 1,535	-2.3%	\$ 724	\$ 840	15.9%
POTTAWATTAMIE	\$ 2,589	\$ 2,132	-17.6%	\$ 1,194	\$ 1,166	-2.3%
POWESHIEK	\$ 2,312	\$ 2,019	-12.6%	\$ 1,066	\$ 1,104	3.6%
RINGGOLD	\$ 936	\$ 925	-1.1%	\$ 432	\$ 506	17.3%
SAC	\$ 2,323	\$ 2,075	-10.7%	\$ 1,071	\$ 1,135	5.9%
SCOTT	\$ 2,303	\$ 2,235	-3.0%	\$ 1,062	\$ 1,222	15.1%
SHELBY	\$ 2,545	\$ 2,191	-13.9%	\$ 1,173	\$ 1,198	2.1%
SIOUX	\$ 2,863	\$ 2,492	-13.0%	\$ 1,320	\$ 1,363	3.2%
STORY	\$ 2,123	\$ 1,909	-10.1%	\$ 979	\$ 1,044	6.7%
TAMA	\$ 2,130	\$ 1,946	-8.6%	\$ 982	\$ 1,064	8.4%
TAYLOR	\$ 1,355	\$ 1,281	-5.4%	\$ 625	\$ 701	12.2%
UNION	\$ 1,160	\$ 1,039	-10.4%	\$ 535	\$ 568	6.2%

County	2015 Productivity Value	2017 Productivity Value	Percentage Change	2015 Taxable Value	2017 Taxable Value	Percentage Change
VAN BUREN	\$ 1,044	\$ 1,073	2.8%	\$ 481	\$ 587	21.9%
WAPELLO	\$ 1,579	\$ 1,444	-8.5%	\$ 728	\$ 790	8.5%
WARREN	\$ 1,323	\$ 1,244	-6.0%	\$ 610	\$ 680	11.5%
WASHINGTON	\$ 1,938	\$ 1,853	-4.4%	\$ 894	\$ 1,013	13.4%
WAYNE	\$ 785	\$ 849	8.1%	\$ 362	\$ 464	28.2%
WEBSTER	\$ 2,098	\$ 1,987	-5.3%	\$ 967	\$ 1,087	12.3%
WINNEBAGO	\$ 2,273	\$ 2,070	-8.9%	\$ 1,048	\$ 1,132	8.0%
WINNESHIEK	\$ 2,384	\$ 1,924	-19.3%	\$ 1,099	\$ 1,052	-4.3%
WOODBURY	\$ 2,352	\$ 2,160	-8.2%	\$ 1,085	\$ 1,181	8.9%
WORTH	\$ 2,301	\$ 2,059	-10.5%	\$ 1,061	\$ 1,126	6.1%
WRIGHT	\$ 2,456	\$ 2,149	-12.5%	\$ 1,133	\$ 1,175	3.8%
State	\$ 2,153	\$ 1,926	-10.6%	\$ 993	\$ 1,053	6.1%

\* The State Taxable Value increase is 6.1% because it is over a two year period