NOLAN CENTRAL APPRAISAL DISTRICT

AGRICULTURAL APPRAISAL & DEGREE OF INTENSITY STANDARDS

2027 Tax Year Manual

PURPOSE This manual documents Nolan CAD procedures for qualifying and appraising agricultural/open-space land under Texas Tax Code Chapter 23, Subchapter D, and for applying local degree-of-intensity standards. It is intended for appraisal staff, contractors, the Agricultural Appraisal Advisory Board, the Appraisal Review Board, and public reference.

Prepared for the 2027 tax year using current Texas law and Comptroller guidance available through August 17, 2026.

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LOCAL-STANDARDS NOTE Texas law requires the degree of intensity to be the level generally accepted in the local area. Numeric stocking rates, acreage thresholds, and similar local benchmarks should be supported by Nolan County conditions and Agricultural Appraisal Advisory Board input. This manual does not copy Baylor County numeric ratios unless independently adopted by Nolan CAD.

1. Authority, Purpose and Appraisal Responsibility

Texas agricultural appraisal is a special appraisal method, not a property-tax exemption. Qualified land is appraised based on its capacity to produce agricultural products rather than solely on market value. Nolan CAD administers this special appraisal in accordance with the Texas Constitution, Texas Tax Code Chapter 23, applicable Comptroller rules, and the Comptroller Manual for the Appraisal of Agricultural Land.

Nolan CAD is responsible for determining whether land qualifies, maintaining agricultural-use records, applying productivity schedules, and notifying property owners of approval, denial, or requested additional information. Nolan CAD may use qualified contract appraisal personnel while the Chief Appraiser retains statutory responsibility for appraisal administration.

Primary authorities

- Texas Constitution, Article VIII, Sections 1-d and 1-d-1
- Texas Tax Code §§23.41–23.57 (agricultural and open-space land)
- Comptroller Rule §9.4001 and the adopted Manual for the Appraisal of Agricultural Land
- Tax Code §6.12 regarding the Agricultural Appraisal Advisory Board (AAAB)
- Current Comptroller forms, including Form 50-129 for 1-d-1 open-space agricultural appraisal
- Texas Parks and Wildlife Department and Comptroller wildlife-management guidance, when applicable

2027 CONTROL POINT Before finalizing 2027 schedules, Nolan CAD should verify the final version of Comptroller Rule §9.4001 and the Manual for the Appraisal of Agricultural Land. As of August 17, 2026, PTAD had proposed revisions to the manual; proposed material is not treated here as final law unless it reflects an already-effective statute or rule.

2. Qualification for 1-d-1 Open-Space Agricultural Appraisal

To qualify under Tax Code §23.51, land generally must be currently devoted principally to agricultural use to the degree of intensity generally accepted in the area and must have been devoted principally to agricultural use or timber production for at least five of the preceding seven years, subject to statutory exceptions.

Core qualification tests

- The special appraisal applies to land. Improvements such as houses, barns and other structures are appraised separately unless otherwise provided by law.
- The land must be in current agricultural use; an intention to use land agriculturally in the future is not enough.
- Agriculture must be the principal use when multiple uses exist. Incidental recreation or hunting does not automatically disqualify land if agriculture remains the principal use.
- The agricultural operation must meet the local degree-of-intensity standard for the type of operation.
- The history requirement must be documented when required.
- A timely and valid application must be filed when required.

Examples of agricultural use

- Cultivation of soil and production of crops for food, feed, seed or fiber
- Floriculture, viticulture and horticulture
- Raising or keeping livestock
- Raising or keeping qualifying exotic animals for commercial products
- Normal crop or livestock rotation and qualifying governmental-program use
- Beekeeping for pollination or production of human food or other tangible products of commercial value on qualifying acreage
- Wildlife management when all statutory requirements are satisfied

3. Application, Ownership Changes and 2026 Legislative Update

Standard application procedure

A property owner seeking 1-d-1 appraisal should file the current Comptroller Form 50-129 with Nolan CAD. The regular deadline is before May 1. A late application may be accepted as provided by Tax Code §23.541, generally with a 10 percent penalty on the tax savings when applicable.

Once an application is approved, a new application is not ordinarily required every year unless ownership changes, eligibility ends, or the Chief Appraiser requires a new application under the Tax Code.

HB 1244 — effective January 1, 2026

HB 1244 changed the treatment of certain ownership transfers. For land that received 1-d-1 appraisal in the preceding year, ownership is not considered changed for reapplication purposes when the new owner uses the land in materially the same way as the former owner and the use is overseen or conducted by the same individuals who oversaw or conducted that use in the preceding year. The surviving-spouse rule also remains in the statute.

HB 1244 also requires the Chief Appraiser to accept and approve or deny a qualifying late application from a new owner when the land was appraised under 1-d-1 in the preceding year, the use continues materially the same way under the same operators, and the application is filed by the later of the tax delinquency date for that year or the first anniversary of the ownership transfer. The ordinary 10 percent late-application penalty does not apply to an application qualifying under this special provision.

STAFF PROCEDURE For every ownership change involving previously qualified agricultural land, review the deed date, prior-year qualification, current use, operator identity, and the HB 1244 criteria before removing special appraisal or imposing a late-application penalty.

4. Degree of Intensity — Nolan County Standard

Degree of intensity measures whether the agricultural operation is typical for the local area. It is not determined by acreage alone. Nolan CAD evaluates the total operation, including time, labor, equipment, capital, management, production practices, carrying capacity, marketing or production records, and the percentage of the tract actually devoted to agricultural use.

General evidence considered

- Fencing, water, shelter or other infrastructure appropriate to the agricultural use
- Stocking level or production level appropriate to local carrying capacity and current conditions
- Normal herd, flock, crop, soil, weed, pest and forage management
- Evidence of planting, cultivating, fertilizing, harvesting, grazing, breeding or other active production
- Receipts, bills of sale, lease agreements, feed or veterinary records, seed/fertilizer invoices, USDA/FSA records, photographs, maps and similar documentation
- Consistency and duration of the operation
- Whether the operation is commercial in nature rather than token activity designed primarily to obtain tax relief

LOCAL NUMERIC STANDARDS Nolan CAD should maintain any numeric stocking ratios, minimum hive counts, crop-production expectations, or acreage benchmarks in an annually reviewed local schedule supported by Nolan County data and AAAB advice. Drought and site-specific carrying capacity must be considered. Numeric standards are guides, not substitutes for the statutory degree-of-intensity test.

5. Typical Management Practices by Agricultural Use

Use	Typical evidence / management practices
Native / Improved Pasture	Adequate fencing and water; forage and weed management; livestock suited to carrying capacity; herd health/breeding/marketing; evidence of active grazing management.
Dryland / Irrigated Cropland	Seedbed preparation; planting within normal seasonal windows; weed/pest control; fertilization or soil management as appropriate; harvest, grazing-out, or documented crop failure; equipment or custom-farming evidence.
Hay Production	Field preparation; fertilization/weed management as appropriate; cutting, baling and removal or documented use; equipment/custom harvest records.
Horticulture / Produce	Site preparation; planting; irrigation where needed; cultivation; pest control; harvesting/marketing; records consistent with the crop and production scale.
Beekeeping	Qualifying acreage under state law; active colonies; hive placement and management; evidence of pollination or production of honey/other commercial products; colony-health and management records.
Exotic Animals / Specialized Livestock	Species must be raised for qualifying commercial products; fencing, water, animal-care, breeding/production and marketing practices appropriate to the operation.
Government Program / Rotation	Participation documents or evidence that idling/cover crop is part of a qualifying governmental program or normal crop/livestock rotation.
Wildlife Management	Prior eligibility where required, approved wildlife plan, performance of qualifying wildlife-management practices, and documentation/reporting consistent with Comptroller/TPWD guidance.

6. Beekeeping

Texas law recognizes raising or keeping bees for pollination or for the production of human food or other tangible products having commercial value as an agricultural use when the land used is not less than 5 acres or more than 20 acres. Acreage alone does not establish qualification; the operation must also satisfy the degree-of-intensity standard generally accepted in the area.

Nolan CAD review considerations

- Number and condition of active colonies appropriate for the tract and local practice
- Location of hives and access to forage/water
- Ownership or lease documentation for hives when applicable
- Evidence of hive inspections, feeding, treatment, splitting, queen replacement, honey harvest, pollination activity or other active management
- Receipts, photographs, logs, sales records or other evidence showing a genuine agricultural operation
- Continuity of use and the five-of-seven-year history requirement when applicable

Nolan CAD will apply its current locally supported hive-intensity schedule. The district should not use another county's hive-count schedule without local review and adoption.

7. Wildlife Management Use

Land used for wildlife management may continue to receive 1-d-1 appraisal when it satisfies Tax Code §23.51 and applicable Comptroller rules. Wildlife management is an agricultural use, but it is not simply recreational hunting. The land must be actively used to propagate a sustaining breeding, migrating or wintering population of indigenous wild animals for human use, including food, medicine or recreation.

Management plan and practices

The property owner should submit the current Texas Parks and Wildlife Department wildlife-management plan and any supporting documentation requested by Nolan CAD. At least three qualifying wildlife-management practices are generally required, such as habitat control, erosion control, predator management, supplemental water, supplemental food, providing shelters, or census counts, subject to current Comptroller and TPWD guidance.

Nolan CAD may request an annual report or supporting documentation showing implementation of the wildlife-management plan. Wildlife acreage requirements for subdivided tracts must be determined using the current Comptroller/TPWD rules and the applicable ecological-region percentage, not an outdated county percentage copied from another district.

8. Temporary Cessation and Special Circumstances

A temporary interruption does not always end qualification. Staff must review current statutory exceptions and the Comptroller manual before removing 1-d-1 appraisal. Relevant circumstances may include drought, certain military deployment, qualifying governmental programs, normal crop or livestock rotation, certain citrus pest-management situations, qualifying oil and gas operations, and other situations addressed by law or Comptroller guidance.

DROUGHT Nolan County operations are particularly sensitive to rainfall and forage conditions. A reduced stocking rate during drought may reflect prudent agricultural management rather than insufficient intensity. Document local conditions and management decisions before determining that agricultural use has ceased.

9. Productivity Valuation Method

Qualified open-space land is appraised based on productivity. Nolan CAD gathers local income and expense information, lease information, crop and livestock information, government-payment information and other relevant market data to estimate net-to-land income by agricultural class.

Under Tax Code §23.53, the district generally uses an average net-to-land income for the five-year period preceding the year before the appraisal year and capitalizes that income using the statutory agricultural capitalization rate. For 2026, the Comptroller published a 10.00 percent agricultural/open-space cap rate. The 2027 rate must be verified when the Comptroller publishes it.

Annual valuation steps

1. Define appropriate agricultural land classes and uses.
2. Collect and validate local income, expense, lease and production data.
3. Develop net-to-land income for each class.
4. Calculate the statutory multi-year average.
5. Apply the Comptroller-published capitalization rate for the tax year.
6. Review resulting productivity values for reasonableness and equity.
7. Document data sources, calculations and any adjustments in the annual appraisal workpapers.

10. Change of Use and Rollback Tax

When qualified 1-d-1 land changes to a non-agricultural use, a rollback tax may be triggered under Tax Code §23.55. For 1-d-1 land, the rollback generally recaptures the difference between taxes imposed on the agricultural value and taxes that would have been imposed on market value for the preceding three years. Staff must apply the current statute and recognized exceptions to the specific facts.

Common statutory exceptions may include

- Certain right-of-way sales or condemnation
- Certain transfers to or from governmental entities for public purposes
- Certain qualifying nonprofit, religious, charitable, school or cemetery uses
- Certain oil and gas operations and other circumstances specifically provided by statute

Do not use the older five-year rollback period or automatically add interest to a 1-d-1 rollback unless current law requires it for the specific situation. The source document supplied for this project contains outdated rollback language and should not be reused without correction.

11. Inspection, Documentation and Recordkeeping

- Maintain a complete application and supporting documents for each qualifying account.
- Document agricultural history, current use, acreage devoted to each use, and any non-agricultural portions.
- Record field-inspection dates, photographs, aerial review, operator statements and other evidence used in qualification decisions.
- Document degree-of-intensity findings and any exceptions or unusual conditions.
- Maintain productivity valuation workpapers and annual data sources.
- Preserve confidentiality of information made confidential by the Tax Code.
- When additional information is needed, make the request in writing and identify the information required to determine qualification.

12. Denials, Notices and Protest Rights

If the Chief Appraiser denies an application or determines that additional information is required, Nolan CAD will provide the notice required by law. A property owner may protest a denial or other qualifying appraisal determination to the Nolan County Appraisal Review Board within the applicable statutory deadline.

Staff should clearly distinguish between disputes about qualification for special appraisal, disputes about the productivity value assigned to qualified land, and disputes about market value of improvements or nonqualified acreage.

13. Agricultural Appraisal Advisory Board

The AAAB advises the Chief Appraiser on major agricultural appraisal matters, including local degree-of-intensity standards, agricultural practices, net-to-land data, land classes and other issues affecting agricultural appraisal. The Chief Appraiser should call at least one AAAB meeting each year and document recommendations considered in the annual review of this manual and the district's agricultural schedules.

14. Annual Compliance Checklist — 2027

- Verify the current Comptroller Manual for the Appraisal of Agricultural Land and Rule §9.4001.
- Verify the 2027 agricultural/open-space capitalization rate when published by the Comptroller.
- Review current Form 50-129 and all special-appraisal forms for revisions.
- Apply HB 1244 ownership-transfer and qualifying late-application provisions.
- Review AAAB membership/terms and conduct at least one meeting.
- Review Nolan County degree-of-intensity standards and document supporting local data.
- Review drought and carrying-capacity conditions before applying stocking benchmarks.
- Review wildlife-management rules and current TPWD forms/guidelines.
- Review rollback procedures and statutory exceptions.
- Update website handouts and staff references to remove superseded forms or outdated deadlines.
- Retain annual productivity valuation workpapers, data sources, and approved schedules.

Appendix A — Nolan CAD Local Degree-of-Intensity Schedule

The following structure is incorporated into this manual for annual local adoption. Nolan CAD should populate numeric benchmarks only from Nolan County evidence, staff/contract-appraiser analysis, and AAAB input. Because no current public Nolan CAD source located for this update contains verified numeric stocking or hive ratios, no Baylor County numbers have been carried forward.

Agricultural use	Benchmark category	Nolan CAD standard / source
Native pasture	Stocking/carrying-capacity range	Annual local schedule / documented carrying capacity
Improved pasture	Stocking/carrying-capacity range	Annual local schedule / documented carrying capacity

Agricultural use	Benchmark category	Nolan CAD standard / source
Dryland cropland	Typical production practices	Planting, management and harvest/graze-out appropriate to crop and conditions
Irrigated cropland	Typical production practices	Irrigation and crop-management practices appropriate to operation
Hay production	Cutting/harvest frequency	Appropriate to rainfall, forage and local practice
Beekeeping	Active colonies for 5–20 acres	Annual Nolan CAD hive-intensity schedule; must satisfy state acreage rule
Goats / sheep	Stocking/carrying capacity	Annual local schedule / documented carrying capacity
Cattle	Stocking/carrying capacity	Annual local schedule / documented carrying capacity
Horses	Qualifying production use	Breeding/raising for agricultural production; recreational/show use alone does not qualify
Other / uncommon use	Case-specific standard	Evaluate local accepted practice and document basis

Appendix B — Approval and Revision Record

This manual should be reviewed at least annually and whenever state law, Comptroller rules/manuals, local agricultural practices, or Nolan CAD procedures materially change.

Name / Description	Signature
Paula Kisinger, Chief Appraiser	_____
Robert DeLeon, Chief Deputy Appraiser, Agricultural Specialist	_____

Reference note

This manual is an administrative appraisal guide. It does not replace the Texas Constitution, Texas Tax Code, Comptroller rules, adopted Comptroller manuals, or controlling court decisions. If a conflict exists, controlling law and adopted state rules govern.

Prepared August 17, 2026 for the 2027 tax year.