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# Comparisons and Effects of Assessing Agricultural Land According to Market Value versus Agricultural Value for Taxing Purposes, Salt Lake County, Utah, 1967

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# COMPARISONS AND EFFECTS OF ASSESSING AGRICULTURAL LAND ACCORDING TO MARKET VALUE VERSUS AGRICULTURAL VALUE FOR TAXING PURPOSES, SALT LAKE COUNTY, UTAH, 1967

by

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ABSTRACT

Comparisons and Effects of Assessing Agricultural Land According to Market Value versus Agricultural Value for Taxing Purposes, Salt Lake County, Utah, 1967

by

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Utah State University, 1968

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A sample of agricultural parcels in Salt Lake County, Utah was analyzed to determine the effects on assessed values and per acre taxes under alternative assessment methods; assessment according to market value or agricultural value (preferential treatment).

The assessed value changes and tax shifting between all classes of taxable property in the county were calculated with and without the preferential assessment of agricultural land and at assessment levels equalized for all classes.

Variations in assessed value, agricultural and market values and assessment ratios were analyzed for the parcels in the sample by location and size of the parcel, present use, occupation of the owner, and the degree of development of the surrounding land.

Under preferential treatment the total assessed value of agricultural land would not be lower than the 1967 level. Farm land qualifying for preferential

treatment would have lower per acre taxes.

(93 pages)

# INTRODUCTION

## Origin and Nature of Problem

In the fall of 1968 Utah citizens will vote on a proposed constitutional amendment which states that "Land used for agricultural purposes may, as the Legislature prescribes, be assessed according to its value for agricultural use without regard to the value it may have for other purposes."[1] A proposal to amend the State Constitution is certainly one of importance. The reasons for such a change can be seen by a look at Utah's present laws governing land assessment for taxation and land use changes affecting agricultural land.

Tangible property in Utah is assessed "ad valorem" or in proportion to its estimated value. Utah law states that the assessment rate must be 30 percent of fair cash value, or market value.[2] In practice this is not the case. Assessments have not kept up with market values as property in the state has increased in value. In Salt Lake County utilities and mines are currently assessed about 28 percent of market value, improved real estate at 17.4

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[1]Senate Joint Resolution Number Two by Miles Ferry, Merril Jekins, and Kendrick Harward proposing to amend Article XIII, section 3 of the Constitution of the State of Utah. 1967 Utah Legislature.

[2]Property Tax Laws of Utah 1964, Basic Statutory Provision 59-5-1.

percent, unimproved real estate at 13.2 percent, and agricultural real estate at less than 5 percent.[3] Obvious inequities are present and the Utah State Tax Commission, county assessors and others, are working to correct the situation. Their immediate goal is to bring the assessed value of all property up to at least 20 percent of market value, then later to 30 percent. It can be seen that if this is done, assessments and subsequent taxes on farmland would jump substantially.

Why is there concern for the increased assessments on farmland if the move is only to establish "equity" and have each class of property bear an "equal" tax burden? The problem arises when one looks at the farm real estate market, particularly in the rural-urban fringe area. As urban pressures of housing, industry, and commercial interests expand outward, the market value of farmland parcels in their wake rises considerably above the value for agricultural use. Although the land may have a potentially "higher value" use, development may be years away, and the person owning the land may wish to continue farming it. If the law was complied with and all property was assessed at 30 percent of its market value, based on its highest value use, a large amount of land may be forced

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[3]All assessment ratios, except for agriculture, were from unpublished Utah State Tax Commission information. The 5 percent assessment level for agricultural real estate was calculated from the appraised values placed on the parcels in this study by the State Tax Commission. The State Tax Commission's original level for agriculture was 12.4 percent. This figure was an average from all assessment to actual market sales ratios calculated by the tax Commission. The assessment level is lower for the study sample because "highest use" market value is put on the parcels even though all the parcels obviously aren't going to be sold in the near future for that price. If all the parcels were put up for sale the market value would be lower. In other words, time has a part in determining market value.

The assessment levels for the other classes of property are reliable since a structured market exists for these classes. Market values are readily obtainable on comparable units.

prematurely out of agricultural use. The plan to assess and tax bona fide agricultural land according to its value for agricultural pursuits has been proposed to prevent this from happening.

What possible impact would an assessment rate of 20 percent or 30 percent of market value have on assessed values and taxes on agricultural lands? What effect would preferential treatment, or assessing farmland according to agricultural value, have on assessed values and taxes on farm land? How would other types of property be affected in their tax burden if the amendment and subsequent legislation were passed? This study attempts to answer these questions.

## Objectives

1. To determine the possible impact of assessing agricultural land according to its agricultural value rather than its market or "fair cash value. "
2. Analyze factors associated with variations in assessment to value ratios and agricultural and market values, such as location, size of parcel, use of land, occupation of owner and the degree of development of surrounding land.

## Source of Data

Salt Lake County was chosen as the study area because of its importance as an agricultural area and because of the urban influence of Salt Lake City and its surrounding communities. A stratified random sample of all land

classed as agricultural was drawn from the files of the Salt Lake County Assessor's Office. The sample was stratified according to taxing districts. Agricultural land consisted of all parcels of at least three acres in size which were not being used for commercial, residential or industrial purposes. Parcels exempt from property taxes such as church and government owned land were not included in the sample. A final sample of 168 parcels was chosen for study; this was about 3.15 percent of all taxable agricultural parcels in the county. Acres of land, current assessment, location, and owner's name were obtained for each parcel from the county blotters in the Assessor's Office.

The Property Tax Division of the State Tax Commission assisted in the study by appraising and determining the market value, the agricultural value, and the agricultural productivity class of each parcel included in the sample. In arriving at a market value for the parcels in the sample the appraisers used the market data approach. This procedure involves the analysis of recent sales of property in the same general location as the parcel in question. This parcel is given a market value which would be characteristic of that particular location and of the parcel itself. Market value is therefore defined as the value the State Tax Commission gives land at its "highest value" use.

Agricultural value, defined as the value for crop or livestock production, was determined by the State Tax Commission with the aid of U.S.D.A. Soil Conservation Service soils maps. The productivity classes of land in each parcel were obtained from these maps and an agricultural value was assigned to each class. These values are shown below:

| Land Class | Per Acre Value |
|---|---|
| Irrigated (Tillable) I | $500.00 |
| Irrigated (Tillable) II | 400.00 |
| Irrigated (Tillable) III | 300.00 |
| Irrigated (Tillable) IV | 200.00 |
| Dryland (Tillable) III | 60.00 |
| Dryland (Tillable) IV | 30.00 |
| Grazing I | 20.00 |
| Grazing II | 15.00 |
| Grazing III | 10.00 |
| Grazing IV | 5.00 |

In establishing these values, the State Tax Commission used as a partial guide the capitalized values given in Appendix A.

Each owner of the parcels in the sample was contacted by either telephone, letter or personal interview. They were asked the present use of their property, how many immediately preceeding years the parcel had been used for agricultural purposes, their principal occupation, and the character of the area surrounding their parcel such as subdivisions, farming or industry.

The 1967 assessed values and taxes charged on all classes of taxable property in Salt Lake County were obtained from the Statistical Study of Assessed Valuations prepared by the Property Tax Division, Utah State Tax Commission.

The parcels, which were selected from a total of 46 taxing districts, were grouped into six major areas. These six areas coincide with the planning districts of the Salt Lake County Master Plan prepared by the Salt Lake County Planning Commission. The areas are Big Cottonwood, Little Cottonwood, Draper, Magna, Valley and Jordan (Figure 1). The planning commission envisions the Big Cottonwood, Little Cottonwood and Valley areas as becoming primarily residential by 1985. Some land will probably remain agricultural, however, in the Valley area. Magna may become more important as an agricultural area if extensive desert and marsh lands can be economically reclaimed. Industrial use is now the primary direction of development in this area. The Jordan area is and will probably remain the principal agricultural region in the county. The Draper area will likely also remain agricultural but the part of this area which is less suited for farming is considered as a residential reserve.

The choice of these areas facilitates the possible use of this study with the master plan and possibly makes the data more useful for other studies. These areas are also logical breakdowns for this study because they reflect present urban and agricultural uses as well as current trends in development.

## Method of Procedure

The impact of alternative assessment procedures and assessment levels, objective 1, was analyzed as follows: The difference between agricultural and market values by areas was pointed out using the parcels in the sample. The parcels in the sample were also used to show the changes in assessed valuation under different assessment procedures and assessment levels.

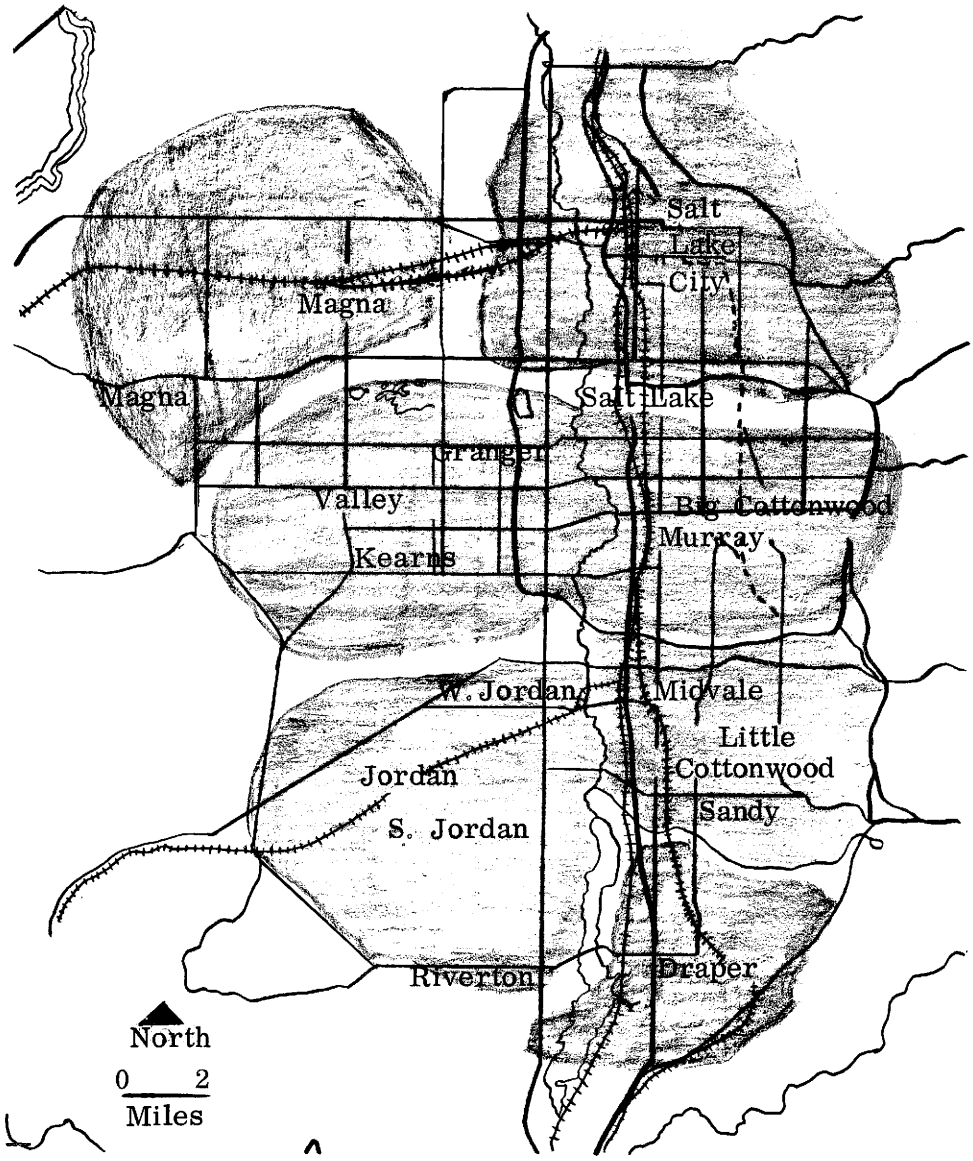


Figure 1. Planning areas of the Salt Lake county master plan.

For analysis purposes parcels were divided by area into those which qualified for preferential assessment, assessment according to agricultural value rather than market value, and those which did not qualify. The discussion on the qualifications for preferential treatment appears later in this section.

Assessed values of 20 and 30 percent of value, with and without preferential treatment of qualifying parcels, were compared with the 1967 assessments. Changes in assessed values were compared by areas.

Next, estimates of agricultural, market and assessed values were made of all agricultural property in the county, based on the sample. The 1967 assessed values of agricultural land as well as all other classes of land in the county were then compared with what they would be if assessed values on all classes of property were raised first to at least 20 percent of value, and then to 30 percent of value, with and without preferential assessment of qualifying farm land.

Assuming a constant total tax charge on all taxable property in Salt Lake County at the 1967 level, the taxes each class of property would bear were calculated using the alternative assessments as explained below. Taxes charged on each class of property were computed assuming assessed values were at least 20 percent and 30 percent of value, respectively, with and without preferential treatment of agricultural land. Shifts in taxes charged among the different classes of property were shown.

The mill levies that would have to be levied against each class of property to maintain the level of taxes charged in 1967 were then calculated using each of the alternative levels and methods of assessment.

Average agricultural real estate taxes were also computed and shown on a per acre basis at the 20 and 30 percent assessment levels, with and without preferential treatment.

Objective 2 was accomplished by first sorting the 168 sample parcels by location, present use, size of parcel, occupation of owner, and the degree of development of the surrounding land. For each of these sorts the average size of the parcel, average 1967 assessment per acre, average agricultural and market values per acre, and 1967 assessment to agricultural and market values per acre, and the 1967 assessment to agricultural and market value ratio were calculated for selected intervals. The relationships between these characteristics and assessed, agricultural, and market values were analyzed.

The criteria for preferential treatment for this study were rather lenient. All parcels were assumed to qualify for preferential treatment which were being used for crop or livestock production at the time of the survey in 1967 and had been used for agricultural purposes for the immediately preceeding three years. All of the parcels which were presently being used for crop or livestock production had also been farmed for the three immediately preceeding years. Using these criteria, 76.2 percent of the sample parcels would qualify for preferential treatment.

# LITERATURE REVIEW

## Rural-Urban Fringe Farmland Assessment

Stocker (9) says the agricultural area surrounding an urban center acquires higher market value as residential, industrial, or commercial interests develop. Of course all this land is not developed at once but owners and investors see potential in all tracts. This optimism is translated into higher market values. Difficulties thus arise in the application of standard assessment procedures. Capitalization of farm income gives no true indication of market value because of the higher value potential of the property. Assessors determine the market value by analyzing comparable sales in an area. This type of value estimation assumes a perfect market: homogeneous products, many parcels, and a large number of buyers and sellers with perfect knowledge. Of course none of these hardly occur individually let alone altogether in the real estate market. The market for farmland in the rural-urban fringe is both imperfect and dynamic so that the comparable sales method should be used with extreme caution.

Many states realize the weakness in the comparable sales method of assessing agricultural land in the rural-urban fringe and have enacted legislation to change the situation.

## Rural-Urban Fringe Farmland Taxation

Hady and Stinson (2) point out that the property tax is the main source of local government revenue. In 1964-65 local governments in the United States collected more than $22 billion in property taxes. This was 87 percent of their tax revenue and 41 percent of their total revenue. Local government expenditures are growing rapidly. In 1954 expenditures were $23,814 million and in 1964-65 it increased to $55,890 million. Part of this increased expenditure is due to increased prices for goods and services local governments must buy. Also, increases in population, with the additional range and quality of services demanded from government by citizens, has added to expenditures.

The authors point out that these figures are aggregates and feel that government expenditures in the path of urban expansion would be more dramatic. Schools, teachers, roads, maintenance, and police and fire protection must be provided for this new expansion.

Land values obviously increase under the urban pressures and farmers who are large land owners feel the cost squeeze as their property taxes rise with the increased land values and revenue needs of local governments.

USDA estimates indicate that taxes per acre levied on farmland in Standard Metropolitan Statistical Areas (SMSA's) average more than 2 1/2 times the taxes on farms in counties adjacent to SMSA's, and more than five times those in more rural counties. It is estimated that about one-fourth of the total farm real estate taxes in 1963 originated in these areas (1).

## Rural-Urban Fringe Farmland Assessment Plans

There are currently three principal plans for the assessment of farmland in the rural-urban fringe (5). The preferential treatment plan provides for assessment of farmland at its present use even though an adjoining parcel may be engaged in a "higher value" use. The plan is an outright permanent tax abatement as long as the land stays in agricultural use. The difference between the taxes under this method and under a higher value assessment are lost to the assessing unit. The States of Arkansas, California, Connecticut, Florida, Indiana, Iowa, Maryland, Minnesota and Oregon have some form of the preferential assessment plan.

Maryland has had the longer experience with a law enacted in 1956 which assesses lands actively devoted to farm or agricultural use on their farm value basis. In Maryland study, House (4) states that preferential treatment in a five-county area had a negligible effect on more rural areas, but in some areas near urban centers assessments were as little as one-fifteenth of the assessment that would have been obtained if based on market value. Overall reduction in assessments per acre was 46 percent. One county experienced a 65 percent drop in assessments, the most rural county experienced a 33 percent reduction. Loss in tax base of individual counties ranged from 1-7 percent. One county had an average tax of $2.90 per acre which would have been $6.69 without preferential treatment. Another county had taxes of $6.00 per acre rather than $28.30 per acre. In one of the counties, assessments per acre in 1956 were an average of $116 per acre; in 1957 following enactment of the preferential assessment law, the average was $88, a reduction of 24 percent. Between 1957 and 1960

agricultural value in one county increased 24 percent. The market value increased by 69 percent. Therefore tax losses can be expected to grow.

Another plan for rural fringe assessment is the deferred or roll back tax. This plan is similar to the preferential plan in that farmland is assessed according to market value. This assessed value is also recorded by the assessing unit. When the land is sold for or converted to non-farm use the difference between the taxes based on agricultural value and market value are then due for a specified number of years back. Presently, Hawaii, New Jersey, and Oregon have some form of deferred taxation. Revenue is not lost by a taxing unit under this plan and it flows in when it is needed--when a parcel of land is converted to urban uses and money is required to finance additional governmental service to this area.

Krausz and Pink (6) explain a third method of farmland assessment in the rural-urban areas. This is the purchase of development rights plan by which a landowner sells or gives the development rights to the local governmental units in turn for taxation on the agricultural value of his property. This plan guarantees the continuance of land in agricultural use, and thereby preserves open space; also the government unit can determine the time for development. A disadvantage of this plan is its high cost to governmental units. Alabama, Connecticut, and Maryland have some form of this plan.

## CHARACTERISTICS OF THE PARCELS IN THE SAMPLE

### Location

The county-wide sample of parcels numbered 168. The Jordan area contained 52 parcels or 31 percent of the total (Table 1). The Valley area contained 38 parcels or 23 percent. The Draper and Little Cottonwood areas each had 24 parcels, or 14 percent each. The Magna area had 17 parcels which was 10 percent of the total, and the Big Cottonwood area contained 13 parcels which was 8 percent of the total. The more rural areas, Jordan and Valley, had more agricultural parcels than the other areas.

Total acreage of all the parcels in the sample was 5,531 acres. The Jordan area had the most acres, 2,545. Next was the Magna area with 1,585 acres. The large acreage in the Magna are was due to large expanses of salt desert and marsh land used for grazing and gun clubs. The Valley area was next with 572 acres. The Draper area had 377 acres, the Little Cottonwood area had 272 acres and the Big Cottonwood area had 180 acres. The more urbanized areas contained fewer acres than the more rural areas.

### Present Use

Of the 168 parcels in the sample, 128 were farmed during 1967 (Table 2). Farmed means that the land was being used for crop and/or livestock production.

Table 1. Number of parcels and acres of land, by area, 168 parcels of "agricultural" land, Salt Lake County, 1967

| Area | Parcels | | Acres | |
|---|---|---|---|---|
| | Number | Percent | Number | Percent |
| Big Cottonwood | 13 | 8 | 180 | 3.3 |
| Little Cottonwood | 24 | 14 | 272 | 4.9 |
| Magna | 17 | 10 | 1,585 | 28.6 |
| Draper | 24 | 14 | 377 | 6.8 |
| Valley | 38 | 23 | 572 | 10.4 |
| Jordan | 52 | 31 | 2,545 | 46.0 |
| Total | 100 | 100 | | 100.0 |

Thirty-three parcels were idle and seven had other uses. The other parcels were used for country clubs, gun clubs and gravel pits.

The farmed parcels included 2,909 acres, the idle parcels contained 770 acres, and the other parcels had 852 acres.

Table 2. Number of parcels and acres of land, by present use, 168 parcels of "agricultural" land, Salt Lake County, 1967

| Present use | Parcels | | Acres | |
|---|---|---|---|---|
| | Number | Percent | Number | Percent |
| Farmed | 128 | 76.2 | 3,909 | 70.7 |
| Idle | 33 | 19.6 | 770 | 13.9 |
| Other | 7 | 4.2 | 852 | 15.4 |
| Total | 168 | 100.0 | 5,531 | 100.0 |

## Size of Parcel

There were 38 parcels in the sample which were less than 5 acres in size. Forty-four were from 5.0 to 9.9 acres. Parcels of less than 9.9 acres included 48.8 percent of the total. The largest size group, 40.0 acres or more, contained 23 parcels, or 13.7 percent (Table 3).

Parcels of 40 acres of more contained the largest acreage, 3,719 acres; next was the 20.0- to 39.9-acre group, 684 acres. The other groups had fewer total acres with the smallest size group having only 155 acres.

Table 3. Number of parcels and acres of land, by size, 168 parcels of "agricultural" land, Salt Lake County, 1967

| Size (acres) | Parcels | | Acres | |
|---|---|---|---|---|
| | Number | Percent | Number | Percent |
| Less than 5.0 | 38 | 22.6 | 155 | 2.8 |
| 5.0 - 9.9 | 44 | 26.2 | 355 | 6.1 |
| 10.0 - 14.9 | 19 | 11.3 | 229 | 4.1 |
| 15.0 - 19.9 | 23 | 13.7 | 408 | 7.4 |
| 20.0 - 39.9 | 21 | 12.5 | 684 | 12.4 |
| 40.0 - or more | 23 | 13.7 | 3,719 | 67.2 |
| Total | 168 | 100.0 | 5,531 | 100.0 |

## Occupation of Owner

The sample of parcels was sorted according to the principal occupation of the owner. Farmers owned the most parcels, 44 out of the 168, or 26.2 percent. Retired people owned 41 parcels, or 24.4 percent. Corporations and Companies owned 21 parcels or 21.4 percent. The self-employed and skilled owners possessed 11 parcels each. The remaining parcels were distributed as shown in Table 4.

Farmers owned the greatest amount of total acres, 1,961. Corporations and companies owned the next largest amount, 1,374. "Other" owners had 883 acres, retired owners had 499. "Other" owners include gun clubs, country clubs and housewives. The remaining types of owners held relatively small acreage.

## Degree of Development of Surrounding Parcels

Of the 168 parcels in the sample, 101 were completely surrounded by land being used for agriculture, or land which was totally undeveloped (Table 5). Twenty-three parcels had commercial, residential, or industrial uses on one side only. Nineteen were developed on two sides, ten were developed on three sides and fifteen were developed on all four sides.

Parcels which were completely surrounded by agriculture or with no development had about 69 percent of the total acreage.

Frequency distributions of present use, size of parcel, owner occupation, and degree of development, by area, are presented in Appendix B.

Table 4. Number of parcel and acres of land, by the occupation of owner, 168 parcels on "agricultural" land, Salt Lake County, 1967

| Occupation | Parcels | | Acres | |
|---|---|---|---|---|
| | Number | Percent | Number | Percent |
| Farmer | 44 | 26.2 | 1,961 | 35.7 |
| Self-employed | 11 | 6.5 | 134 | 2.4 |
| Professional | 9 | 5.4 | 173 | 3.1 |
| Professional Salaried | 12 | 7.1 | 135 | 2.4 |
| Sales, Clerical | 2 | 1.2 | 60 | 1.1 |
| Skilled | 11 | 6.5 | 116 | 2.1 |
| Semi-skilled | 9 | 5.4 | 94 | 1.7 |
| Retired | 41 | 24.4 | 599 | 10.8 |
| Corp, companies | 21 | 12.5 | 1,374 | 24.8 |
| Other | 8 | 4.8 | 883 | 15.9 |
| Total | 168 | 100.0 | 5,531 | 100.0 |

Table 5. Number of parcels and acres of land, by degree of development of surrounding land, 168 parcels of "agricultural" land, Salt Lake County, 1967

| Development of surrounding land | Parcels | | Acres | |
|---|---|---|---|---|
| | Number | Percent | Number | Percent |
| All agriculture | 101 | 60.1 | 3,806 | 68.8 |
| 1 side developed | 23 | 13.7 | 685 | 12.4 |
| 2 sides developed | 19 | 11.3 | 216 | 3.9 |
| 3 sides developed | 10 | 6.0 | 719 | 13.0 |
| 4 sides developed | 15 | 8.9 | 105 | 1.9 |
| Total | 168 | 100.0 | 5,531 | 100.0 |

## Market Value

A frequency distribution of market value per acre showed the $1,500 to $1,999 interval to be the most common. There were 37 parcels, or 22 percent in that category. Twenty-one parcels were in the $1,000 to $1,499 per acre interval and 18 parcels were in the $2,000 to $2,499 group. Parcels with a market value of less than $250 per acre included 13.7 percent of the total, or 23 parcels. Parcels with a per acre value of $5,000 or more numbered 11 (Table 6).

Table 6. Number of parcels, by market value per acre, 168 parcels of "agricultural" land, Salt Lake County, 1967

| Market value per acre | Number of parcels | Percent |
|---|---|---|
| Less than $250 | 23 | 13.7 |
| $ 250 - 499 | 9 | 5.4 |
| 500 - 999 | 15 | 8.9 |
| 1,00 - 1,499 | 21 | 12.5 |
| 1,500 - 1,999 | 37 | 22.0 |
| 2,000 - 2,499 | 18 | 10.7 |
| 2,500 - 2,999 | 19 | 11.3 |
| 3,000 - 3,999 | 10 | 6.0 |
| 4,000 - 4,999 | 5 | 3.0 |
| 5,000 - or more | 11 | 6.5 |
| Total | 169 | 100.0 |

## Agricultural Value

The agricultural value of the parcels in the sample was concentrated around the $250 to $349 per acre interval (Table 7). Fifty-eight parcels were in this group of 34.5 percent of the total. The $7.50 to $12.49 interval also had a large number of parcels, 29, or 17.3 percent.

Table 7. Number of parcels by agricultural value per acre, 168 parcels of "agricultural" land, Salt Lake County, 1967

| Agricultural value per acre[a] | Number of parcels | Percent |
|---|---|---|
| $ 7.50 - $ 12.49 | 29 | 17.3 |
| 12.50 - 17.49 | 11 | 6.5 |
| 17.50 - 24.99 | 2 | 1.3 |
| 25.00 - 44.99 | 11 | 6.5 |
| 45.00 - 129.00 | 11 | 6.5 |
| 130.00 - 249.00 | 20 | 11.9 |
| 250.00 - 349.00 | 58 | 34.5 |
| 350.00 - 449.00 | 20 | 11.9 |
| 450.00 - or more | 6 | 3.6 |
| Total | 168 | 100.0 |

[a]Agricultural value intervals were chosen so that the mid-point of the intervals would coincide with the agricultural values used in this study for each class of land.

## 1967 Assessed Value

A frequency distribution of assessed value per acre of the parcels in the sample shows that 43 out of the 168 parcels were assessed at less than $20.00. Sixteen parcels had assessments of $200 or more. Eighty-one percent of the parcels were assessed between less than $20 and $119 (Table 8).

Table 8. Number of parcels, by 1967 assessed value per acre, 168 parcels of "agricultural" land, Salt Lake County, 1967

| 1967 assessed value per acre | Number of parcels | Percent |
|---|---|---|
| Less than $20 | 43 | 25.6 |
| $ 20 - $ 39 | 13 | 7.7 |
| 40 - 59 | 18 | 10.7 |
| 60 - 79 | 18 | 10.7 |
| 80 - 99 | 23 | 13.7 |
| 100 - 119 | 21 | 12.5 |
| 120 - 139 | 6 | 3.6 |
| 140 - 159 | 3 | 1.8 |
| 160 - 179 | 4 | 2.4 |
| 180 - 199 | 3 | 1.8 |
| 200 - or more | 16 | 9.5 |
| Total | 168 | 100.0 |

## IMPACT OF ALTERNATIVE LEVELS AND METHODS OF ASSESSMENT

### Agricultural and Market Values of the Sample Parcels

The basis for concern related to assessment of farmland lies in the difference between the value a parcel has for agricultural use and its market value. Table 9 gives this difference for the sample on a total and per acre basis for each geographic area.

The total market value of the land in the sample was $4,003,645 whereas the agricultural value of this same land was only $487,302. Market value was 8.22 times greater than agricultural value. On a per acre basis market value was $724; agricultural value was $88.

It was hypothesized that the difference between market and agricultural values would be greatest in the more developed areas and least in the more rural areas. The hypothesis was true for this study.

Parcels in the most urbanized area, Big Cottonwood, had a market value 21 times greater than their agricultural value. Market value per acre was $3,555 and agricultural value averaged $169 per acre.

Compared with Big Cottonwood, the Little Cottonwood area is less urbanized. Market value in that area was 19 times greater than agricultural value. The average market value per acre was $2,536; agricultural value was $134 per acre.

Table 9. Number of parcels, acreage, agricultural value, and market value, by area and qualification,[a] 168 parcels of "agricultural" land,[b] Salt Lake County, 1967

| Area and qualification | Number of parcels | Acres | | Agricultural value | | Market value | |
|---|---|---|---|---|---|---|---|
| | | Total | Average per acre | Total | Average per acre | Total | Average per acre |
| BIG COTTONWOOD | 13 | 180 | 13.8 | $30,468 | $169 | $ 639,584 | $3,555 |
| Qualifying | 9 | 73 | 8.1 | 26,982 | 369 | 408,218 | 5,583 |
| Non-qualifying | 4 | 107 | 26.7 | 3,486 | 33 | 231,366 | 2,167 |
| LITTLE COTTONWOOD | 24 | 272 | 11.3 | 36,408 | 134 | 689,103 | 2,536 |
| Qualifying | 17 | 214 | 12.6 | 30,884 | 145 | 545,439 | 2,553 |
| Non-qualifying | 7 | 58 | 8.3 | 5,524 | 95 | 143,664 | 2,474 |
| MAGNA | 17 | 1,585 | 93.2 | 25,249 | 16 | 361,835 | 228 |
| Qualifying | 8 | 499 | 62.4 | 7,205 | 14 | 188,109 | 337 |
| Non-qualifying | 9 | 1,086 | 120.7 | 18,044 | 17 | 173,726 | 160 |
| DRAPER | 24 | 377 | 15.7 | 47,583 | 126 | 388,833 | 1,031 |
| Qualifying | 15 | 153 | 10.2 | 39,953 | 260 | 239,843 | 1,563 |
| Non-qualifying | 9 | 224 | 24.9 | 7,630 | 34 | 148,990 | 666 |
| VALLEY | 38 | 572 | 15.0 | 126,755 | 222 | 988,723 | 1,730 |
| Qualifying | 33 | 528 | 16.0 | 121,472 | 230 | 880,929 | 1,669 |
| Non-qualifying | 5 | 44 | 8.8 | 5,283 | 121 | 107,794 | 2,459 |
| JORDAN | 52 | 2,545 | 48.9 | 220,840 | 87 | 935,567 | 368 |
| Qualifying | 46 | 2,442 | 53.1 | 211,616 | 87 | 900,838 | 369 |
| Non-qualifying | 6 | 103 | 17.2 | 9,223 | 90 | 34,729 | 337 |
| TOTAL | 168 | 5,531 | 32.9 | 487,302 | 88 | 4,003,645 | 724 |
| Qualifying | 128 | 3,909 | 30.5 | 438,112 | 112 | 3,163,376 | 809 |
| Non-qualifying | 40 | 1,622 | 40.6 | 49,190 | 30 | 840,269 | 518 |

[a]Qualifying land has been used for crop and livestock production for the previous three years. Most of the non-qualifying land was idle.

[b]Classified as agricultural land on records in the County Assessor's Office.

The Big and Little Cottonwood areas are primarily urban while the Draper and Valley areas are presently more or less transition zones and are currently less urbanized. In the Draper area, market values were eight times that of agricultural value. The market value per acre was $1,030; the agricultural value was $126. Parcels in the Valley area had a per acre market value of $1,730; the same land had an agricultural value of $222. The market value was eight times greater than the agricultural value.

In the most rural area, Jordan, market values were about 4. 2 times greater than agricultural value. Market value averaged $368 per acre; agricultural value was $87 per acre.

The Magna area had a low agricultural value per acre of $16 because of the vast areas of marsh and salt desert useful only for grazing. The average market value per acre was 14 times the agricultural value or $228. Industrial expansion and recreational facilities such as gun clubs on the marshes explain the reason why the market value was so much more than the agricultural value. The Magna area is somewhat different from the other areas in its characteristics, therefore also different in what determines agricultural and market values.

When the qualifying and non-qualifying parcels were separated, there was a greater difference between agricultural and market value for the non-qualifying parcels in most areas than for the qualifying parcels (Table 9). In the Big Cottonwood area, the agricultural value per acre for non-qualifying parcels was $33; market value was $2, 167. Market values was 66 times

greater than agricultural value. For qualifying parcels in the same area, market value was only 15 times greater than agricultural value. Market value was $5,583 per acre; agricultural value was $369 per acre. The Draper area showed similar results. Non-qualifying parcels had a per acre market value of $666; agricultural value $34. Market value was 20 times greater than agricultural value. Qualifying parcels had a market value of $1,563 per acre while agricultural value was $260 per acre. This makes market value only 6 times greater than agricultural value. The Little Cottonwood and Valley areas also had non-qualifying parcels with a greater difference between market and agricultural values than qualifying parcels. The Jordan area had differences of about equal magnitude. The Magna area had a reverse situation with qualifying parcels differing more than non-qualifying parcels.

Table 9 also shows that 128 of the parcels in the sample would qualify for preferential assessment according to the minimum requirements which were assumed. The 40 which would not qualify consisted of 33 idle parcels and 7 parcels which had uses other than agriculture. The table also shows the distribution of qualifying and non-qualifying parcels among the areas. The Jordan area had 46 qualifying parcels out of a total of 52. The Magna area had 8 parcels qualifying and 9 parcels which were non-qualifying.

The Big Cottonwood, Magna, and Draper areas had fewer acres qualifying than non-qualifying. The other areas had more acres qualifying than non-qualifying.

The average size of parcel was larger for non-qualifying parcels, 40.6 acres, than for qualifying parcels, 30.5 acres.

## Assessed Valuation of the Sample Parcels

### Without preferential treatment

The parcels in the sample were assessed at an average of 4.90 percent of current market value in 1967. If the assessment of these parcels were increased to 20 percent of market value, total assessment would be $800,729 as compared to $196,577 in 1967 (Table 10). The 1967 assessment per acre of $36 would increase to $145 at the 20 percent assessment level.

The effect on assessed value of a 20 percent assessment level would vary by area within the county. A 20 percent assessment level in the Big Cottonwood area would be 2.3 times the 1967 level or $711 instead of $307. In the Magna area a 20 percent assessment level of $46 per acre would be 7.9 times higher than the 1967 assessment of $6 per acre.

The 1967 assessment per acre in the Jordan area was $22; 20 percent assessment of market value would be $74 per acre. The increase in this area would be 3.4 times. Assessments in the Little Cottonwood area would increase 6.2 times from the 1967 level to a 20 percent level, or from $82 to $507 per acre. Assessment per acre in the Draper area would increase from the 1967 level of $47 to $206. Per acre assessment in the Valley area would be $346 as compared to the 1967 assessment of $65.

If a 20 percent assessment level were used, as state law requires, assessed values would increase another 50 percent over assessed values at the 20 percent level (Table 10).

Table 10. Alternative assessed values without preferential treatment,[a] by area and qualifications, 168 parcels of "agricultural" land,[b] Salt Lake County, 1967

| Area and qualification | Number of parcels | Without preferential treatment[c] Total assessed value | | | Average assessed value per acre | | |
|---|---|---|---|---|---|---|---|
| | | Actual in 1967 | 20% of value | 30% of value | Actual in 1967 | 20% of value | 30% of value |
| BIG COTTONWOOD | 13 | $55,145 | $127,917 | $191,875 | $307 | $ 711 | $1,067 |
| Qualifying | 9 | 40,565 | 81,644 | 121,465 | 555 | 1,117 | 1,675 |
| Non-qualifying | 4 | 14,580 | 46,273 | 69,410 | 137 | 433 | 650 |
| LITTLE COTTONWOOD | 24 | 22,315 | 137,821 | 206,731 | 82 | 507 | 761 |
| Qualifying | 17 | 15,660 | 109,088 | 163,632 | 73 | 511 | 766 |
| Non-qualifying | 7 | .6,655 | 28,733 | 43,099 | 115 | 495 | 742 |
| MAGNA | 17 | 9,120 | 72,367 | 108,551 | 6 | 46 | 68 |
| Qualifying | 8 | 3,350 | 37,622 | 56,433 | 7 | 75 | 113 |
| Non-qualifying | 9 | 5,590 | 34,845 | 52,118 | 5 | 32 | 48 |
| DRAPER | 24 | 17,895 | 77,767 | 116,650 | 47 | 206 | 309 |
| Qualifying | 15 | 12,410 | 47,969 | 71,953 | 81 | 313 | 469 |
| Non-qualifying | 9 | 5,485 | 29,798 | 44,697 | 25 | 133 | 191 |
| VALLEY | 38 | 37,122 | 197,745 | 296,617 | 65 | 346 | 519 |
| Qualifying | 33 | 33,022 | 176,186 | 264,279 | 63 | 334 | 501 |
| Non-qualifying | 5 | 4,100 | 21,559 | 32,338 | 94 | 492 | 738 |

Table 10. Continued

| Area and qualification | Number of parcel | Without preferential treatment[c] | | | | | |
|---|---|---|---|---|---|---|---|
| | | Total assessed value | | | Average assessed value per acre | | |
| | | Actual in 1967 | 20% of value | 30% of value | Actual in 1967 | 20% of value | 30% of value |
| JORDAN | 52 | $ 54,980 | $187,113 | $ 280,670 | $22 | $ 74 | $110 |
| Qualifying | 46 | 53,400 | 180,168 | 270,241 | 22 | 74 | 111 |
| Non-qualifying | 6 | 1,580 | 6,946 | 10,419 | 15 | 67 | 101 |
| TOTAL | 168 | 196,577 | 800,729 | 1,201,094 | 36 | 145 | 217 |
| Qualifying | 128 | 158,587 | 632,675 | 949,013 | 41 | 162 | 243 |
| Non-qualifying | 40 | 37,990 | 168,054 | 252,081 | 23 | 104 | 155 |

[a]Qualifying land had been used for crop and livestock production for the previous three years. Most of the non-qualifying lad was idle.
[b]Classified as agricultural land on records in the County Assessor's Office.
[c]Assessment at 20 percent of market value for both qualifying and non-qualifying land.

With preferential treatment

As the previous section has shown, there would be a substantial increase in the assessed value of agricultural land in Salt Lake County if the assessment level were increased from the 1967 level to 20 or 30 percent of market value.

If, however, the proposed constitutional amendment were passed and the Legislature enacted procedures to assess agricultural land according to its agricultural value, the assessed values for the sample parcels would change as follows: All qualifying parcels in the sample would have assessed values at 20 and 30 percent of their agricultural values. Assessed values for non-qualifying parcels would be based on market values. The qualifications for preferential treatment for this study were pointed out earlier.

If qualifying land were assessed at 20 percent of agricultural rather than market value, the combined assessed value at 20 percent of market value for the non-qualifying parcels and 20 percent of agricultural value for qualifying parcels would amount to $225,676 (Table 11). This is only 15 percent more than the 1967 assessed value, $196,577. Without preferential treatment the total would be $800,729. The difference between the total assessment with preferential treatment and without preferential treatment at the 20 percent assessment level would be $575,053. The total assessed value for the qualifying parcels would decrease from $158,587 in 1967 to $87,622, while non-qualifying would increase from $37,990 to $168,054.

Assessment reductions for qualifying parcels would occur in all areas under preferential treatment. At the 20 percent assessment level, qualifying

parcels in the Big Cottonwood area would have a per acre assessment reduction of from $555 to $74. Assessed values on qualifying parcels in the Little Cottonwood area would decrease to $29 per acre from the 1967 average of $73. Assessments on qualifying parcels in the Magna area were at $7 per acre in 1967, and at the 20 percent assessment level they would be $3 per acre. Qualifying parcels in the Valley area would have an assessment drop of from $63 to $46 per acre. Assessments for qualifying parcels in the primarily farming area of Jordan were $22 per acre in 1967, at a 20 percent assessment level per acre assessment would be $17.

Non-qualifying parcels under preferential treatment would still be assessed at market value. Substantial increases would occur in all areas if assessments were raised from their 1967 level to 20 percent of market value.

The combined effect of reducing the assessed value of qualifying land to 20 percent of agricultural value and raising the assessed value of non-qualifying parcels to 20 percent of market value would result in a small decrease in assessed value of agricultural land in the Big Cottonwood and Jordan areas compared with 1967, and increases in the Little Cottonwood, Magna, Draper and Valley areas.

Assessment at 30 percent of value would increase assessed values another 50 percent over the 20 percent assessment level (Table 11).

## Assessed Valuation of all Taxable Property in Salt Lake County

Raising assessed values to at least 20 percent, or to 30 percent of value would not only affect farm land but other classes of property as well. Equalizing

Table 11. Alternative assessed values with preferential treatment by area and qualification,[a] 168 parcels of "agricultural" land,[b] Salt Lake County, 1967

| Area and qualification | Number of parcels | With preferential treatment[c] | | | | | |
|---|---|---|---|---|---|---|---|
| | | Total assessed value | | | Average assessed value per acre | | |
| | | Actual in 1967 | 20% of value | 30% of value | Actual in 1967 | 20% of value | 30% of value |
| BIG COTTONWOOD | 13 | $55,145 | $51,670 | $77,504 | $307 | $287 | $444 |
| Qualifying | 9 | 40,565 | 5,396 | 8,095 | 555 | 75 | 111 |
| Non-qualifying | 4 | 14,580 | 46,273 | 69,410 | 137 | 433 | 650 |
| LITTLE COTTONWOOD | 24 | 22,315 | 34,910 | 52,364 | 82 | 129 | 193 |
| Qualifying | 17 | 15,660 | 6,177 | 9,265 | 73 | 29 | 43 |
| Non-qualifying | 7 | 6,655 | 28,733 | 43,099 | 115 | 495 | 742 |
| MAGNA | 17 | 9,120 | 36,186 | 54,279 | 6 | 23 | 34 |
| Qualifying | 8 | 3,530 | 1,441 | 2,162 | 7 | 33 | 4 |
| Non-qualifying | 9 | 5,590 | 34,745 | 52,118 | 5 | 32 | 48 |
| DRAPER | 24 | 17,895 | 37,789 | 56,683 | 47 | 100 | 150 |
| Qualifying | 15 | 12,410 | 7,991 | 11,986 | 81 | 52 | 78 |
| Non-qualifying | 9 | 5,485 | 29,798 | 44,697 | 25 | 133 | 191 |
| VALLEY | 38 | 37,122 | 45,853 | 68,780 | 65 | 80 | 120 |
| Qualifying | 33 | 33,022 | 24,294 | 36,442 | 63 | 46 | 69 |
| Non-qualifying | 5 | 4,100 | 21,559 | 32,338 | 94 | 492 | 738 |

Table 11. Continued

| Area and qualification | Number of parcels | With preferential treatment[c] | | | | | |
|---|---|---|---|---|---|---|---|
| | | Total assessed value | | | Average assessed value per acre | | |
| | | Actual in 1967 | 20% of value | 30% of value | Actual in 1967 | 20% of value | 30% of value |
| JORDAN | 52 | $ 54,980 | $ 49,269 | $ 73,904 | $22 | $19 | $ 29 |
| Qualifying | 46 | 53,400 | 42,323 | 63,485 | 22 | 17 | 26 |
| Non-qualifying | 6 | 1,580 | 6,945 | 10,419 | 15 | 67 | 101 |
| TOTAL | 168 | 196,577 | 225,676 | 383,514 | 36 | 41 | 69 |
| Qualifying | 128 | 158,587 | 87,622 | 131,434 | 41 | 22 | 34 |
| Non-qualifying | 40 | 37,990 | 168,954 | 252,080 | 23 | 104 | 155 |

[a]Qualifying land had been used for crop or livestock production for the previous three years. Most of the non-qualifying land was idle.
[b]Classified as agricultural land on records in the County Assessor's Office.
[c]Qualifying land is assessed at 20 percent of agricultural value and non-qualifying land is assessed at 20 percent of market value.

assessments at either of these levels in Salt Lake County would increase assessments from their average 1967 levels of 17.4 percent of market value for improved real estate, and 13.2 percent for unimproved real estate. At the 30 percent level, utilities and mines would be increased from 28 percent in 1967, and personal property from 26 percent.

Table 12 gives the total assessed value for the different classes of property at 1967 assessment levels and at levels of at least 20 percent and at 30 percent of value. The 20 and 30 percent levels are listed with and without preferential treatment of agricultural land. The proportion of qualifying and non-qualifying agricultural land was obtained by expanding the qualifying and non-qualifying proportions of agricultural real estate in the sample to the total.

Without preferential treatment

The increase in agricultural land assessment without preferential treatment would be from the 1967 level of $7.8 million to $31.8 million at the 20 percent assessment level, a 308 percent increase. The qualifying portion of agricultural real estate, assessed on market value without preferential treatment, would have an assessment increase of from $6.2 million to $25.1 million, a 305 percent increase. The non-qualifying agricultural real estate assessed on market value, would have an assessment increase of from $1.5 million to $6.7 million, or a 347 percent increase.

If the assessed value of all property were raised to at least 20 percent of value, the assessed value of utility and mine properties, already at a 28 percent assessment level, would remain at a $228.7 million. The assessed value

Table 12. Alternative assessed values of taxable property in Salt Lake County, by class of property, 1967

| Class of property | Total assessed value in million of dollars | | | | |
|---|---|---|---|---|---|
| | Actual in 1967 | Without preferential treatment | | With preferential treatment | |
| | | At least 20% of value[a] | 30% of value[b] | At least 20% of value[c] | 30% of value[d] |
| Agricultural real estate | 7.8 | 31.8 | 47.7 | 10.2 | 15.2 |
| Qualifying[e] | 6.2 | 25.1 | 37.7 | 3.5 | 5.2 |
| Non-qualifying | 1.5 | 6.7 | 10.0 | 6.7 | 10.0 |
| Utilities, mines, gas & oil[f] | 228.7 | 228.7 | 245.0 | 228.7 | 245.0 |
| Improved real estate[g] | 318.8 | 366.5 | 549.7 | 366.5 | 549.7 |
| Unimproved real estate[h] | 98.5 | 149.5 | 224.2 | 149.5 | 224.2 |
| Personal property[i] | 121.3 | 121.3 | 140.0 | 121.3 | 140.0 |
| Total | 775.1 | 897.7 | 1,206.6 | 876.1 | 1,174.1 |

[a]Includes utilities, mines, gas & oil at 28 percent of market value, personal property at 26 percent of market value, and all other classes of property at 20 percent of market value.

[b]Includes all classes of property at 30 percent of market value.

[c]Includes qualifying agricultural land at 20 percent of agricultural value, utilities and mines at 28 percent of market value, personal property at 26 percent of market value, and all other classes at 20 percent of market value.

[d]Includes qualifying agricultural land at 30 percent of agricultural value and all other classes at 30 percent of market value.

[e]Qualifying land has been used for crop and livestock production for the previous three years from 1967. Most of the non-qualifying land was idle.

[f]Includes air lines, auto, passenger, freight and transit, gas and pipeline companies, power companies, railroads, terminals, car companies and express, telegraph companies, water companies, mines, oil and gas.

[g]Includes residential buildings, commercial & industrial buildings, and agricultural buildings.

[h]Includes residential real estate, commercial and industrial.

[i]Includes motor vehicles, merchandise and fixtures, commercial and industrial machinery, agricultural machinery, livestock and other personal property.

of personal property which is already at a 26 percent assessment level would remain at $212.3 million.

The county total assessed valuation with assessments of at least 20 percent of value and with no preferential treatment of agricultural land would be $897.7 million compared with $775.1 million for 1967. This would amount to a 15.8 percent increase in assessed valuation.

The county assessed value, assuming a 30 percent assessment level without preferential treatment, would be $1,206.6 million as compared with $897.7 million at the 20 percent assessment level. Assessed values for agricultural real estate, improved real estate, and unimproved real estate would increase by 50 percent from the 20 percent assessment level to the 30 percent level. Utilities and mines and personal property would have lesser increases since their assessment level was already close to the 30 percent level, 28 and 26 percent, respectively.

With preferential treatment

Preferential treatment of agricultural land would change the assessed valuation of agricultural land in Salt Lake County significantly. If all property were assessed at a minimum of 20 percent of value, qualifying agricultural land would be assessed at 20 percent of agricultural value and non-qualifying land would be assessed at 20 percent of market value. Under these conditions the total assessed value of agricultural land in the county would increase from $7.8 million in 1967 to $10.2 million, a 30.8 percent increase. This is much less than the 307.7 percent increase in assessed valuation that would occur if all agricultural land were assessed according to market value. Non-qualifying parcels would

increase in assessed valuation from $1.5 million in 1967 to $6.7 million, while qualifying parcels would decrease in assessed valuation from $6.2 million to $3.5 million under preferential treatment. The latter would amount to a 43.5 percent decrease.

The other classes of property would have the same assessed valuation, with or without preferential treatment of agricultural land at both the 20 and 30 percent assessment levels.

Under preferential treatment the total assessed valuation in the county would be $876.1 million at the 20 percent assessment level, compared with $775.1 million at the 20 percent level, compared with $775.1 million in 1967. This would amount to a 13.0 percent increase compared with a 15.8 percent increase with no preferential treatment.

If assessed values were set at 30 percent of value instead of 20 percent, assessments would increase another 50 percent, except for utilities and mines and personal property, which are currently assessed at more than 20 percent of value.

## Property Taxes Charged on all Taxable Property in Salt Lake County

Changes in levels and methods of assessment also mean tax changes. Tax burdens would be shifted some among classes of property if assessment levels were increased from their 1967 levels to minimum levels of either 20 percent or 30 percent (Table 13).

Table 13. Property taxes under alternative assessment levels and methods, by class of property, Salt Lake County, 1967

| Class of property | 1967 | Without preferential treatment: At least 20% of value | Without preferential treatment: 30% of value | With preferential treatment: At least 20% of value | With preferential treatment: 30% of value |
|---|---|---|---|---|---|
| | | Total taxes charged, thousands of dollars[a] | | | |
| Agricultural real estate | 652 | 2,263 | 2,432 | 741 | 798 |
| Qualifying | 526 | 1,776 | 1,907 | 254 | 273 |
| Non-qualifying | 126 | 487 | 525 | 487 | 525 |
| Utilities, mines, gas & oil | 18,310 | 15,473 | 11,630 | 15,875 | 11,976 |
| Improved real estate | 29,321 | 29,157 | 32,634 | 29,802 | 33,409 |
| Unimproved real estate | 9,117 | 12,072 | 13,580 | 12,334 | 13,896 |
| Personal property | 11,369 | 9,864 | 8,554 | 10,078 | 8,752 |
| TOTAL | 68,830 | 68,830 | 68,830 | 68,830 | 68,830 |
| | | Percent of total property taxes charged against each class of property | | | |
| Agricultural real estate | 0.95% | 3.29% | 3.53% | 1.08% | 1.15% |
| Qualifying | 0.77 | 2.58 | 2.77 | 0.37 | 0.40 |
| Non-qualifying | 0.18 | 0.71 | 0.76 | 0.71 | 0.75 |
| Utilities, mines, gas & oil | 26.60 | 22.48 | 16.90 | 23.06 | 17.40 |
| Improved real estate | 42.60 | 42.36 | 47.41 | 43.30 | 48.54 |
| Unimproved real estate | 13.33 | 17.54 | 19.73 | 17.92 | 20.19 |
| Personal property | 16.52 | 14.33 | 12.43 | 14.64 | 12.72 |
| TOTAL | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |

[a]Assuming a constant total property tax revenue of $68,830 (1967 level).

To illustrate this point, estimated shifts in revenue between classes of property were made, holding the 1967 total property tax revenue of $68,830,000 constant. Changes in mill levies which would yield the same tax revenue as in 1967 were calculated for each of the two alternative assessment levels. The change in mill levy for all classes of property at the 20 percent assessment level was calculated using the following formula and solving for a:

> Assessed value of agricultural land at 20 percent of value (1967 average mill levy on agricultural land - a) + assessed value of utilities and mines at 28 percent of value (1967 average mill levy on utilities and mines -a) + assessed value of improved real estate at 20 percent of value (1967 average mill levy on improved real estate - a) + assessed value of other personal property at 26 percent of value (1967 average mill levy on other personal property - a) equals $68,830.

The change in mill levy for the 30 percent assessment level was calculated by using the 30 percent assessed valuations in the formula instead of the 20 percent assessments for all the classes of property (Table 12).

These calculated mill levy changes were subtracted from the 1967 average mill levies for each class of property. The resulting mill levies from these subtractions were multiplied by the 20 and 30 percent assessed valuations for each class of property to get the property taxes charged on each class of property under the alternative assessment levels and methods.

Without preferential treatment

Agricultural real estate would have to carry a significantly greater share of the county tax burden than it presently does if all property, including agricultural land, were assessed at at least 20 percent of market value. Taxes

charged on agricultural land would increase from $652,000 in 1967 to $2,263,000. The percent of total property taxes levied on agricultural land would increase from 0.95 percent in 1967 to 3.29 percent.

Property taxes on utilities and mines would be reduced from $18,310,000 in 1967 to $15,473,000, or from 26.6 percent of total property taxes in the county to 22.48 percent. Taxes charged against improved real estate would be reduced slightly from $29,321,000 in 1967 to $29,147,000. The tax on unimproved real estate would increase from $9,177,000 in 1967 to $12,072,000. Taxes charged against personal property woudl go down from $11,369,000 in 1967 to $9,864,000.

The property tax burden in Salt Lake County would shift even more to agricultural land as well as improved and unimproved real estate if all property were assessed at 30 percent of market value instead of 20 percent. Taxes on utilities and mines and personal property would decrease.

With preferential treatment

Distribution of the tax burden under a 20 percent assessment level with county revenue held constant would be different than above if qualifying agricultural real estate were assessed according to agricultural value rather than market value.

Property taxes on all agricultural land under preferential treatment would increase from $652,000 in 1967 to $741,000, at a 20 percent assessment level. This would only be a 13.7 percent increase compared to the 247 percent increase without preferential treatment. Taxes charged against agricultural land would increase from 0.95 percent of total property taxes in 1967 to 1.08

percent. Non-qualifying land would still have the same tax increase, always being assessed according to market value. The big change would occur with the qualifying agricultural land which would have a reduction in taxes of 51.7 percent, from $526,000 in 1967 to $254,000.

With preferential assessment of agricultural land, taxes charged on utilities and mines would decrease from $18,310,000 in 1967 to $15,875,000 at the 20 percent assessment level, assuming constant total property tax revenue. This would be a 13.3 percent reduction as compared to the 15.5 percent reduction without preferential treatment. Property taxes on improved real estate would increase from $29,321,000 in 1967 to $29,802,000. This would be a 1.6 percent increase rather than a 0.6 percent reduction with no preferential treatment of agricultural land. Taxes charged on unimproved real estate would increase from $9,177,000 in 1967 to $12,334,000. This would be a 34.4 percent increase compared with the 31.5 percent increase without preferential treatment on agricultural land. Taxes on personal property would decrease from $11,369,000 in 1967 to $10,078,000. This would be 11.4 percent decrease compared with the larger 13.2 percent decrease without preferential treatment.

With preferential treatment at the 30 percent assessment level and constant total property tax revenues, utilities and mines and personal property would have a somewhat reduced tax burden compared with the 20 percent assessment level. Other classes of property would make up the difference.

## Property Taxes Per Acre of Agricultural Land in Salt Lake County

The average property tax per acre of taxable agricultural land in Salt Lake County was $3.16 in 1967. To facilitate analyzing the effect of alternative levels and methods of assessment the 206,525[1] total acres were divided into qualified and non-qualified acreage in the same proportion as was found in the sample. This resulted in 157,372 acres of qualifying land and 49,153 acres of non-qualifying land. Also, total property taxes were assumed to remain constant at their 1967 level.

Table 14 shows estimated changes in taxes per acre. With preferential treatment at the 20 percent assessment level taxes on non-qualifying land would increase from the 1967 level of $3.16 to $9.91. Taxes on qualifying land would decrease from $3.16 to $1.61. Without preferential treatment taxes on qualifying land would increase to $11.29 per acre.

If the 30 percent assessment level were used there would be a slight increase in taxes per acre over the 20 percent level.

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[1]Obtained from the County Assessor's Office.

Table 14. Property taxes per acre on agricultural land in Salt Lake County, by alternative assessment levels and methods[a]

| Qualification | 1967 | 20% assessment level | | 30% assessment level | |
|---|---|---|---|---|---|
| | | With preferential treatment | Without preferential treatment | With preferential treatment | Without preferential treatment |
| All agricultural real estate | $3.16 | $3.59 | $10.96 | $ 3.86 | $11.76 |
| Qualifying | 3.16 | 1.61 | 11.29 | 1.74 | 12.12 |
| Non-qualifying | 3.16 | 9.91 | 9.91 | 10.68 | 10.68 |

[a]A constant total property tax of $68,830,000 was assumed (1967 level).

## Mill Levies of All Taxable Property in Salt Lake County

The preceding two sections showed assessment and tax revenue changes from the 1967 assessment levels with assessments equalized at the 20 and 30 percent levels. Estimated changes in mill levies under alternative levels and methods of assessment are shown in this section. Total property taxes are assumed to remain at their level in 1967.

With preferential treatment, or assessment of qualified agricultural land according to agricultural value, the average mill levy for all classes of property would drop 10.65 mills under their levels in 1967 if property were assessed at at least 20 percent of value. Without preferential treatment average mill levies on all classes of property would decrease 12.65 mills.

At the present assessment level, mill levies would be reduced by 31.19 mills from their 1967 levels with preferential treatment, and 32.60 mills without preferential treatment from the 1967 levy.

Table 15. Alternative property tax mill levies, by class of property, Salt Lake County

| Class of property | Actual in 1967 | Level and method of assessment: 20% assessment level, With prfrntl. treatment | 20% assessment level, Without prfrntl. treatment | 30% assessment level, With prfrntl. treatment | 30% assessment level, Without prfrntl. treatment |
|---|---|---|---|---|---|
| | 83.57 | Mills per dollar of assessed value[a] | | | |
| Agricultural real estate | 83.57 | 72.92 | 71.17 | 52.38 | 50.97 |
| Qualifying | 83.57 | 72.92 | 71.17 | 52.38 | 50.97 |
| Non-qualifying | 83.57 | 72.92 | 71.17 | 52.38 | 50.97 |
| Utilities, mines, gas and oil | 80.07 | 69.43 | 67.66 | 48.88 | 47.47 |
| Improved real estate | 91.97 | 81.32 | 79.56 | 60.78 | 59.37 |
| Unimproved real estate | 93.18 | 82.53 | 80.77 | 61.99 | 60.58 |
| Personal property | 93.71 | 83.06 | 81.30 | 62.51 | 61.10 |

[a]Assuming a constant total property tax revenue of $68,830,000 (1967 level).

# VARIATION IN ASSESSED VALUE, AGRICULTURAL AND MARKET VALUES, AND ASSESSMENT RATIOS, BY PARCEL CHARACTERISTICS

## Location

The average size of the sample parcels in the six Salt Lake County areas varied somewhat according to location. Parcels with the smallest average size were in the highly urbanized areas of Big and Little Cottonwood--13.8 and 11.3 acres, respectively. The largest average size parcels were in the Magna area--93.2 acres. Parcel size in the rural Jordan area averaged 48.9 acres. The average for all six areas was 32.9 acres.

Table 16 shows average 1967 assessments per acre, agricultural value, market value, and assessment to agricultural value and to market value ratios by location of the sample parcels. Parcels in the Big Cottonwood area had the highest average 1967 assessment per acre--$308. This high average reflected urban pressures. Parcels in the Little Cottonwood area were next with $82 per acre. The 1967 assessment per acre for parcels in the Jordan area was $22; for Magna area parcels it was $5. The latter value was very low because of the large amount of grazing land in the Magna area. Location clearly had an influence on assessed value in 1967, with values per acre being highest in the more developed areas and lowest in the more rural areas.

The best agricultural land in Salt Lake County, and hence the land with the highest agricultural value, lies in the Valley area. The average value is

Table 16. Variation in assessed value, agricultural and market values, and assessment ratios, by location, 168 parcels of "agricultural" land, Salt Lake County, 1967

| Location | Ave. size, acres | Total | | | Average per acre | | | Assessment levels | |
|---|---|---|---|---|---|---|---|---|---|
| | | 1967 assessment | Agricultural value | Market value | 1967 assess. | Agri. value | Market value | 1967 assess. to agri. value | 1967 assess. to market value |
| Big Cottonwood | 13.8 | $55,396 | $30,468 | $639,584 | $308 | $169 | $3,555 | 181.8% | 8.7% |
| Little Cottonwood | 11.3 | 22,315 | 36,408 | 689,103 | 82 | 134 | 2,536 | 61.3 | 3.2 |
| Magna | 93.2 | 9,120 | 25,249 | 361,835 | 6 | 16 | 228 | 36.1 | 2.5 |
| Draper | 15.7 | 17,895 | 47,582 | 388,833 | 47 | 127 | 1,031 | 37.7 | 4.6 |
| Valley | 15.0 | 37,122 | 126,755 | 988,723 | 65 | 222 | 1,730 | 29.3 | 3.8 |
| Jordan | 48.9 | 54,980 | 220,840 | 935,567 | 22 | 87 | 368 | 24.9 | 5.9 |
| Total | 32.9 | 196,577 | 487,302 | 4,003,645 | 36 | 88 | 724 | 40.3 | 4.9 |

$222 per acre. Land quality is lower in the Big and Little Cottonwood and Draper areas. The land to the south in the Jordan area is comparatively low in agricultural value, averaging $87 per acre. The least valuable agricultural land is in the Magna area (see Figure 1).

The current market value per acre as determined by the State Tax Commission reflects area development. Parcels in the Big and Little Cottonwood areas had the highest average market value per acre at $3,555 and $2,536, respectively. Market value was lower in the less urbanized areas of Valley and Draper and lowest in the most rural areas of Jordan and Magna. The Jordan area had parcels which had an average market value of $368 per acre, while parcels in the Magna area had a per acre value of $228.

The 1967 assessment to agricultural value and 1967 assessment to market value levels were calculated for the Salt Lake County sample of 168 parcels. The average assessment level for 1967 was 4.9 percent. The highest assessment level according to market value was for parcels in the Big Cottonwood area--8.7 percent, the low was 2.5 percent for parcels in the Magna area. According to market value, all areas have assessment levels much lower than the 20 percent level. If market value were the assessment base all areas would have greatly increased assessments.

The average 1967 assessment level according to agricultural value for all parcels was 40.3 percent in 1967. Assessment to agricultural value varied from a high of 181.8 percent in the Big Cottonwood area to a low of 24.9 percent in the Jordan area. Very few parcels are currently assessed at less than 20 percent of agricultural value. Most are assessed at more than 30 percent.

## Present Use

Farmed parcels in the sample averaged 30.5 acres in size, idle parcels averaged 23.3 acres. The "other use" parcels had the largest average size--121.8 acres (Table 17).

The average 1967 assessment per acre was highest for the farmed parcels--$41. The idle parcels were assessed at an average of $37; other use parcels were far below at an average of $11 per acre.

Agricultural value was highest for the farmed parcels at $112 per acre. The idle parcels averaged $53 in value, and "other use" parcels averaged $11 per acre for agricultural value.

The farmed parcels were highest in market value with an average of $809 per acre. The farmed parcels also had the highest average 1967 assessment, agricultural value, and market value per acre. The idle parcels and "other use" parcels follow in order.

The 1967 assessment to market value assessment levels indicates that the impact would be greatest on "other use"parcels if assessments were raised to 20 percent of market value. They are now assessed at an average of 3.3 percent of market value. Farmed and idle parcels were assessed at approximately 5 percent of market value.

The 1967 assessment to agricultural value assessment levels indicates something entirely different. Assessments would be lowered for all uses if a 20 percent of agricultural value base were used. The farmed parcels would

Table 17. Variation in assessed value, agricultural and market values, and assessment ratios by present use, for 168 parcels of "agricultural" land, Salt Lake County, 1967

| Use | Ave. size, acres | Total | | | Average per acre | | | Assessment levels | |
|---|---|---|---|---|---|---|---|---|---|
| | | 1967 assessment | Agricultural value | Market value | 1967 assess. | Agri. value | Market value | 1967 assess. to agri. value | 1967 assess. to market value |
| Farmed[a] | 30.5 | $158,587 | $438,112 | $3,163,376 | $41 | $112 | $809 | 36.2% | 5.0% |
| Idle | 23.3 | 28,390 | 40,094 | 556,685 | 37 | 53 | 723 | 70.8 | 5.1 |
| Other | 121.8 | 9,600 | 9,096 | 283,645 | 11 | 11 | 333 | 105.5 | 3.4 |
| Total | 32.9 | 196,577 | 487,302 | 4,003,645 | 37 | 88 | 724 | 40.3 | 4.9 |

[a] Farmed means used for crop or livestock production.

be lowered from a 36.2 percent assessment level. The idle and "other use" parcels would have much greater reductions.

## Size

The average 1967 assessment per acre decreased as the size of the sample parcels increased (Table 18). The less than 5.0 acre parcels had an average 1967 assessment of $174 per acre. The 40.0 acre or more parcels had average 1967 assessments of $8 per acre.

Average agricultural value per acre was highest among the smaller parcels. The high was $261 per acre in the 10.0 to 14.9 acre parcels; the low was $33 in the 40.0 acre or more parcels.

Average market value also decreased as acreage increased. Parcels having less than 5.0 acres had an average market value of $2,908 per acre compared with $169 for parcels with 40.0 or more acres.

The 1967 assessment to market value assessment levels show that parcels in all size groups would have increased assessments to achieve a 20 percent assessment level, if assessments were based on market value. The two smaller size categories would not be affected as much as the larger size categories. If agricultural values were used in making assessments, all size categories would have decreased assessments to achieve a 20 percent assessment level. The two smaller size categories would have the largest decrease. The largest size category would have the smallest decrease.

Table 18. Variation in assessed value, agricultural and market values, and assessment ratios, by size of parcel, 168 parcels of "agricultural" land, Salt Lake County, 1967

| Size (acres) | Total | | | Average per acre | | | Assessment levels | |
|---|---|---|---|---|---|---|---|---|
| | 1967 assessment | Agricultural value | Market value | 1967 assess. | Agri. value | Market value | 1967 assessment to agri. value | 1967 assessment to market value |
| Less than 5.0 | $26.865 | $33,685 | $450.150 | $174 | $218 | $2,908 | 79.8% | 6.0% |
| 5.0 - 9.9 | 48,280 | 82,564 | 736,592 | 144 | 246 | 2,196 | 58.5 | 6.6 |
| 10.0 - 14.9 | 19,172 | 59,873 | 396,097 | 84 | 261 | 1,728 | 32.0 | 4.8 |
| 15.0 - 19.9 | 24,665 | 74,124 | 569,320 | 60 | 182 | 1,395 | 33.3 | 4.3 |
| 20.0 - 39.9 | 48,835 | 113,710 | 978,440 | 71 | 166 | 1,431 | 43.0 | 5.0 |
| 40.0 or more | 28,760 | 123,267 | 628,683 | 8 | 33 | 169 | 23.3 | 4.6 |
| Total | 196,577 | 487,302 | 4,003,645 | 36 | 88 | 724 | 40.3 | 4.9 |

## Occupation of Owner

The parcels owned by farmers had an average size of 44.6 acres. Only corporations and companies owned larger parcels; their parcels averaged 65.4 acres. Most of the other occupation groups had considerably smaller parcels, averaging between 10 and 14 acres (Table 19).

On a per acre basis the highest average 1967 assessment was on the parcels owned by the professional group; they averaged $101. Next was the parcels owned by the self-employed at $91. Parcels owned by the semi-skilled and retired people were next at $78 and $76, respectively.

Highest agriculturally valued acreage was owned by salaried professional and sales-clerical occupational classes at $220 and $246 per acre; respectively. Since only two sales-clerical owners are in the sample, however, little significance can be given to their figure. High agriculturally valued land is also owned by retired and skilled owners. Farmers own land valued for agricultural use at a per acre average of $98. The self-employed, professional, and semi-skilled owned acreage in this range also. Corporations and companies owned relatively poor agricultural land averaging $47 per acre.

In average market value per acre, the highest valued property was owned by salaried professional people at $1,704 per acre. Skilled workers had property worth an average of $1,639, per acre. Farmers had relatively low market value land averaging $598 per acre. Corporations and companies also had low market valued property at $511.

Table 19. Variation in assessed value, agricultural and market values, and assessment ratios, by the occupation of the owner, parcels of "agricultural" land, Salt Lake County, 1967

| Occupation | Ave. size, acres | Total | | | Average per acre | | | Assessment levels | |
|---|---|---|---|---|---|---|---|---|---|
| | | 1967 assessment | Agricultural value | Market value | 1967 assess. | Agri. value | Market value | 1967 assess. to agri. value | 1967 assess. to market value |
| Farmer | 44.6 | $ 50,775 | $192,193 | $1,172,089 | $ 26 | $ 98 | $ 598 | 26.4% | 4.3% |
| Self-employed | 12.2 | 12,240 | 17,862 | 189,427 | 91 | 133 | 1,411 | 68.5 | 6.5 |
| Professional | 19.2 | 17,365 | 15,862 | 209,927 | 101 | 92 | 1,216 | 109.5 | 8.3 |
| Professional salaried | 11.3 | 8,845 | 29,808 | 230,521 | 65 | 220 | 1,704 | 29.7 | 3.8 |
| Sales, clerical | 30.0 | 805 | 14,505 | 91,500 | 13 | 246 | 1,525 | 5.6 | 0.9 |
| Skilled | 10.6 | 6,822 | 21,028 | 190,359 | 59 | 181 | 1,639 | 32.4 | 3.6 |
| Semi-skilled | 10.4 | 7,305 | 9,536 | 83,378 | 78 | 102 | 890 | 76.6 | 8.8 |
| Retired | 14.6 | 45,750 | 110,972 | 907,456 | 76 | 185 | 1,516 | 41.2 | 0.5 |
| Corporations, companies | 65.4 | 34,810 | 65,039 | 701,543 | 25 | 47 | 511 | 53.5 | 5.0 |
| Other | 11.0 | 11,870 | 10,508 | 127,445 | 13 | 12 | 144 | 113.0 | 9.3 |
| Total | 32.9 | 196,577 | 487,302 | 4,003,645 | 36 | 88 | 724 | 40.3 | 4.9 |

The 1967 assessment to agricultural value assessment levels indicates wide variations among different owners. If agricultural value were used as the assessment base and a 20 percent assessment level were used, most classes of owners would have assessment reductions. Farmers having an assessment level of 26.4 percent would not have a significant change.

If market value were used as the assessment base, the 1967 assessment to market value assessment levels show large increases in assessments per acre for all occupational groups. Were sales-clerical excluded, farmers, professional salaried, and skilled workers would see the greatest increases in assessed value from the 1967 assessed value to the 20 percent level. The "other", semi-skilled, and professional people would have a smaller increase but would still have doubled assessments.

From the 20 percent level to a 30 percent assessment level assessed valuations would rise 50 percent.

## Development of Surrounding Land

The largest parcels were developed on 3 sides, and averaged 71.9 acres in size (Table 20). Parcels which had no surrounding development or had all agricultural surroundings averaged 37.7 acres. Parcels with four sides developed averaged 7.0 acres in size.

Average 1967 assessment per acre was lowest on the all agricultural class at $21 per acre. The highest was $249 per acre for parcels developed on four sides.

Table 20. Variation in assessed value, agricultural amd market values, and assessment ratios by the degree of development of the surrounding land for 168 parcels of "agricultural" land, Salt Lake County, 1967

| Development[a] | Ave. size in acres | Totals | | | Per acre | | | Assessment levels | |
|---|---|---|---|---|---|---|---|---|---|
| | | 1967 assess. | Agricultural value | Market value | Ave. 1967 assess. | Ave. agri. value | Ave. market value | 1967 assess. to agri. value | 1967 assess. to market value |
| All agriculture | 37.7 | $ 81,747 | $288,807 | $2,103,923 | $ 21 | $ 76 | $ 553 | 29.3% | 3.9% |
| 1 side development | 29.8 | 37,155 | 114,369 | 582,794 | 54 | 167 | 850 | 32.5 | 6.4 |
| 2 sides development | 11.4 | 23,605 | 42,005 | 542,518 | 109 | 195 | 2,515 | 56.2 | 4.4 |
| 3 sides development | 71.9 | 28,025 | 38,546 | 444,351 | 39 | 55 | 618 | 72.7 | 6.3 |
| 4 sides development | 7.0 | 26,045 | 29,948 | 402,689 | 249 | 286 | 3,849 | 89.7 | 6.5 |
| Total | 32.9 | 196,577 | 487,302 | 4,033,645 | 36 | 88 | 724 | 40.4 | 4.9 |

[a]Development means commercial, residential or industrial.

Average agricultural value per acre was highest for the four side development class at $286 and lowest for the three side development class at $54. Land surrounded completely by agriculture had an agricultural value of $76 per acre.

The market value per acre was highest in the four sides development class at $3,849. All agriculture had a per acre market value of $553.

The average figures for the three side development class are neither consistant with the other classes nor with what would be expected for a 1967 assessment figure, or the current market value. The reason probably lies in inaccurate answers to the question asked owners as to the degree of development surrounding their property.

The 1967 assessment according to market value level shows that all property would have a decreased assessment to a 20 percent level if agricultural value were the assessment base. The biggest decrease would be in the four side development class to the least decrease in the all agricultural land class.

If market value were used as an assessment base all assessments would rise as indicated by the 1967 assessment to market value levels. The all agricultural class would increase the greatest, two side development would be next while the other classes would all increase about the same amount.

The 30 percent assessment level would mean a 50 percent increase in assessed valuations from the 20 percent level.

# SUMMARY

If Utah law is enforced and assessments on taxable property are increased to 30 percent of market value, assessed valuation would increase about six fold on agricultural land in Salt Lake County. The proposed constitutional amendment to assess agricultural land according to its agricultural value rather than market value is being put before the Utah voters to protect agricultural land owners from the large assessment and tax increases which may force much land in the rural-urban fringe out of agricultural use prematurely.

The primary objective of this study was to determine the possible impact of assessing agricultural land according to its value for agricultural use rather than its market value. A second but related objective was to analyze factors associated with high and low assessments and high and low agricultural and market values such as location, present use, degree of development of surrounding area, and size of the parcel.

The difference between agricultural and market value was analyzed by sample parcels of agricultural land in Salt Lake County grouped into six areas and varying from highly urbanized to rural in nature. The effect of assessment level changes on these parcels was analyzed with preferential assessment--assessment according to agricultural rather than market value--and without preferential treatment. Estimates of the assessed value of all taxable property in the county were made with assessments at least 20 percent of value and at

30 percent of value, with and without preferential treatment of agricultural land. Assessed valuation, revenue and mill levy changes were compared under the above conditions for the different classes of property to determine the shifts in the tax burden between classes.

The acreage and number of parcels in the six Salt Lake County sample areas varied with the degree of urbanization of the area. The more rural areas had more parcels and more total acres than the more urban areas.

Of the total number of parcels in the sample, only 76 percent were currently being farmed. Farmed parcels included 3,909 acres out of the total of 5,531 acres.

Parcels less than 9.9 acres in size amounted to 48.8 percent of the total.

Farmers owned 26.2 percent of the parcels in the sample while retired persons owned 24.4 percent. These two occupational groups owned the greatest number of parcels but farmers and corporations and companies owned the most acreage.

Parcels which were completely surrounded by agricultural use or without development accounted for 60.1 percent of the total and also contained more acreage than parcels with some kind of development surrounding them.

A frequency distribution of the market value of the 168 parcels in the sample showed most parcels grouped around the $1,500 to $1,999 per acre value. Agricultural value per acre for the parcels was mostly grouped in the $250 to $349 interval. This would indicate a predominance of Class III irrigated land in the sample.

The greatest difference between market and agricultural value for the sample was in the most urbanized area; market value being 21 times agricultural value in that area. The smallest difference was in the least urbanized area where market value was 4 times agricultural value.

Non-qualifying parcels in the sample had a greater difference between market and agricultural value than qualifying parcels. Thus, the elimination of the non-qualifying parcels from preferential treatment as would probably be done would cause the total impact of an assessment reduction to be minimized.

The more urbanized areas had fewer parcels and smaller acreages qualifying for preferential treatment than the more rural areas.

Changes in assessment levels and methods would greatly affect the assessed valuations of the agricultural parcels in the sample. Without preferential treatment the 1967 assessed value at an average of 4.91 percent of market value would increase 308 percent to the 20 percent assessment level. With preferential treatment, or qualifying parcels assessed according to agricultural value, the increase in assessed value over the 1967 total would only be 14 percent. Of significance would be the reduction by 45 percent of the assessment of qualifying parcels from the 1967 total to the 20 percent assessment level according to agricultural value. Assessment reductions for qualifying parcels would be greatest in the more urbanized areas.

All areas in the sample except the most rural had increases in total assessed value under preferential treatment at the 20 percent assessment level over the 1967 assessment level.

All types of property in Salt Lake County would also have assessment changes to conform with state law. Without preferential treatment agricultural real estate in the county would have a 307.7 percent increase in assessed value from the 1967 assessment level to the 20 percent level. The assessed value on improved real estate would increase 15 percent. The assessed value on unimproved real estate would increase 51.8 percent. Assessed valuation on utilities, mines and personal property would not change at the 20 percent assessment level.

With preferential treatment of agricultural real estate, agricultural land in the county would have an assessment increase of only 30.8 percent from the 1967 assessment level to the 20 percent assessment level.

The county increases in total assessed valuation would be 13.0 percent with preferential treatment and 15.8 percent without preferential treatment.

The 30 percent assessment level would cause another 50 percent increase in all assessments from the 20 percent level except utilities, mines and personal property which are already at 28.0 and 26.0 percent, respectively.

With assessment changes, shifts would occur in the tax burden shared by the different classes of property.

For this study the county revenue from taxable property was held constant at the 1967 total so that shifts between classes of property could be noted. Without preferential treatment of agricultural real estate agricultural land in the county would have 3.29 percent of the tax burden at a 20 percent assessment level as compared to 0.95 percent at the 1967 level. Assessment level increases

to the 30 percent level would mean another slight increase to agricultural real estate. Utilities, mines and personal property would have a substantial decrease in their share of the tax burden, from 26.6 percent at the 1967 assessment level to 16.0 percent at the 30 percent level. Unimproved and improved real estate would have increases in their share of the tax burden from the 1967 level to a 30 percent assessment level.

With the preferential assessment of agricultural real estate, agricultural lands share of the tax burden would increase slightly from the 1967 level to the 20 percent assessment level, 0.95 percent to 1.08 percent. But, the qualifying agricultural land would have a decrease from the 1967 level of 0.77 percent to the 20 percent assessment level percentage of 0.37 of the county tax burden. Assessments at the 30 percent level would mean a slight increase in the tax burden for agricultural land from the 20 percent assessment level. With preferential treatment utilities, mines and personal property would still have their share of the tax burden reduced. Unimproved and improved real estate would have increases in their share of the tax burden with the preferential treatment of agricultural land at 20 and 30 percent assessment levels.

County average per acre agricultural real estate taxes would increase about four times from the present level of taxation to 20 and 30 percent assessment levels without preferential treatment. With preferential treatment the taxes on qualifying agricultural land would decrease from the 1967 per acre average of $3.16 to $1.61 and $1.74 for 20 and 30 percent assessment levels. Non-qualifying parcels, of course, would have tax increases from the 1967

amount to 20 and 30 percent assessment levels. With these assessment and tax revenue shifts mill levies could be lowered for all classes of property to accomodate the increased assessments. They would be lower about 11 mills for the 20 percent assessment level and about 32 mills for the 30 percent assessment level.

Variation in assessed value, agricultural and market values and assessment levels for the sample were first analyzed by the six county areas or location. Smallest average parcel sizes were in the most urbanized areas. The 1967 assessment was highest in the more urbanized areas and lowest in the most rural areas. Current market value was also highest in the urban areas and lowest in the more rural areas. Highest value agricultural land was located in the most urban areas. If assessments are raised to 20 and 30 percent levels of market value the more rural areas would have the greatest assessment increase from their 1967 levels. If agricultural value were used as the assessment base all areas would have decreased assessment, the greatest decreases being in the most urban areas.

When the parcels were sorted by present use the "other use" parcels had far and above the largest average acreage size. Assessments in 1967 were highest for farmed parcels, then idle parcels, then other use parcels. Agricultural value per acre and market value followed the same order. If market value were the assessment base and the levels were raised to 20 and 30 percent all three use classes would have assessment increases from about 4.9 percent. If agricultural value were used as the assessment base, idle and

other use parcels would have large assessment reductions but farmed parcels would only have a reduction from a 36.2 percent level.

Assessment per acre in 1967 decreased as the size of the parcel in question increased. Parcels with a size less than 4.9 acres had an average per acre assessment of $174. Parcels of 40.0 plus acres had an average 1967 assessment per acre of $8. Agricultural value and market value was highest among smaller acreage parcels and decreased as the size of the parcel increased. If assessments were increased to 20 and 30 percent levels according to market value all size classes would have increases. The smaller acreage parcels would have lesser assessment increases. If agricultural value were the assessment base all size categories would have assessment decreases with the smaller size categories having the largest decreases.

In the occupational groups farmers and corporations and companies owned the largest parcels at an average of 45 and 65 acres respectively. Highest 1967 per acre assessment was on parcels owned by professional people at $101, next was self-employed--$91, semi-skilled--$78 and retired people--$76. Farmers and corporations and companies owned parcels of low 1967 assessments at $26 and $25 per acre respectively. Highest agricultural valued land was owned by the professional salaried and sales, clerical people at $220 and $246 per acre respectively. Farmers land was valued at $98 per acre for agriculture. Highest market value per acre was owned by the professional salaried people at $1,704. Skilled workers owned property with an average market value of $1,639 per acre. Farmers owned land valued at $598 per acre. If market value were the assessment base, assessment increases would be greatest for farmers, professional salaried and skilled people under 20 and 30 percent assessment levels. If agricultural value

were the assessment base all owners would have assessment decreases to the 20 percent assessment level. Farmers at a 26.4 percent assessment level would not have a big decrease to the 20 percent assessment level.

Assessment per acre in 1967 was lowest for parcels completely surrounded by agricultural use or otherwise undeveloped; their average was $21. Parcels with some sort of development on all four sides had the highest 1967 assessment per acre averaging $249. Agricultural--$286, and market--$3,849, value were highest for the parcels which had development on all four sides. Agricultural value averaged $76 per acre for parcels in the all agricultural class. If market value was the assessment base all classes would have assessment increases to the 20 and 30 percent assessment levels. If agricultural value was the assessment base all classes would have assessment decreases to the 20 percent assessment level. The all agricultural class would have the least reduction; it was already at a 29.3 percent level in 1967 and would be raised slightly to the 30 percent level.

# CONCLUSIONS

Market value for agricultural land in the rural-urban fringe far exceeds the value the land may have for agricultural purposes. If market values were used as the assessment base agricultural land in Salt Lake County would have assessment and tax increases which may make profitable agricultural production impossible. "Higher value" uses for agricultural land in the rural-urban fringe are inevitable but taxes based on these values may force land out of agricultural use prematurely.

In this study it was shown that preferential assessment of agricultural real estate, or assessment according to agricultural value, would actually not lower the assessed value of agricultural property in Salt Lake County if the 20 and 30 percent assessment levels are attained on all classes of property. Total county assessed valuation would actually increase at these assessment levels. Agricultural land which qualifies for preferential treatment would have lower per acre taxes at the 20 and 30 percent assessment levels than at the 1967 assessment level.

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# APPENDIXES

# Appendix A

## A Capitalization Method to Determine Agricultural Value

Agricultural value is of importance to this study. To assist the State Tax Commission in their estimations, a capitalization method was developed to determine agricultural value.

Basic enterprise cost of production studies[1] for Utah were used for all physical input-output relationships on irrigated land.(Appendix A, Tables 25 through 28). The six most commonly grown crops along the Wasatch Front were used. The budget for corn silage is based on average management conditions in 1962 in Cache, Box Elder, and Weber Counties; tomatoes on 1960 in Weber and Davis Counties; sugar beets on 1963 in Cache, Box Elder, Weber, Davis, and Utah Counties; and alfalfa on 1962 in Cache and Box Elder Counties.

Primary product prices are 5-year average prices received by farmers in Utah, 1961-1966, except for wheat which is based on only 1964-1966 (Appendix A, Table 29). By-product values, if any, are as reported in the year of the enterprise study. A uniform expense for water of $5.00 per acre-foot was charged. Land taxes were set at $6.00 per acre; taxes on machines and buildings varied with investment per acre for each crop.

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[1]Made by Professor Earnest M. Morrison, Utah State University.

Six percent interest was charged as an expense for the use of all fixed capital other than land and seven percent was charged for the use of all operating capital. Capital replacement and depreciation was charged as reported in the enterprise cost study.

All labor was adjusted to adult productivity and charged as an expense at the average hourly rate paid for farm labor in Utah during 1961-1966 (Appendix, Table 30). An overhead charge of 10 percent of all expenses other than overhead and management was included as an expense to account for normal overhead costs that generally are not used in enterprise cost studies (8). Ten percent of total receipts was charged as an expense for management (3,7).

Costs of all other inputs were taken as given in the enterprise cost studies and then adjusted to a five-year average value (Appendix A, Table 31). This was done by dividing the cost of the input during the year of the enterprise study by the fraction derived from dividing the index of prices farmers paid for the input during the year of the enterprise study and the resulting figure by the average index of prices paid for the input during 1961-1966.

Table 21 (Appendix A) compiles the six crops into a soil and water conserving rotation with their net returns. A capitalization rate of 6.1 percent is used, which is the estimated average Commercial Bank rate of interest on first mortgages in Utah, 1961-1966 (Appendix A, Table 30).

$$\frac{\text{Average net return on land}}{\text{Capitalization rate}} = \text{Value} \qquad \frac{21.90}{6.1} = \$359.02$$

If yields from the cost of Production studies are compared with yield figures that the State Tax Commission associates with a particular class, a

predominance of low class-two land is present in the cost of production studies (Appendix A, Table 21). The State Tax Commission value for low class-two agricultural land would be $350.00. The capitalized value is $359.02. Low class-two is in the middle of the irrigated land classes; the cost of production studies was from all classes. Therefore some confidence can be expressed in the State Tax Commission's agricultural values for irrigated land.

Table 22 (Appendix A) gives a cost of production budget and capitalized value for dryland wheat. The capitalized value is $72.00 at a 22.6 bushel yield. The State Tax Commission applies a value of $60.00 to class III dryland with yields from 12 to 40 bushels per acre.

More work is needed in the determination of agricultural value but is beyond the scope of this study.

Table 21. Capitalized value of average annual net return to land per acre, using a six-year crop rotation, Utah, 1967

| Year | | per acre | Net return to land[a] | | Land class (by yield) |
|---|---|---|---|---|---|
| 1st | Irrigated wheat, or | 52 bu. | $ 3.70 | | Low II |
| | Irrigated barley | 62 bu. | .35 | | Low II, III |
| | Average | | | $ 2.03 | |
| 2nd | Alfalfa | 4.24 tons | | 15.92 | Low II, high III |
| 3rd | Alfalfa | 4.24 tons | | 15.92 | Low II, high III |
| 4th | Alfalfa | 4.24 tons | | 15.92 | Low II, high III |
| 5th | Irrigated corn silage | 17.9 tons | | 35.64 | Low II, high III |
| 6th | Sugar beets or | 18.4 tons | 21.65 | | Low II |
| | Tomatoes | 19.86 tons | 70.25 | | Low I |
| | Average | | | 45.95 | |
| Total net return to land | | | | $131.38 | |
| Average net return to land | | | | 21.90 | |
| Capitalized value of average net return to land | | | | 359.02[b] | |

[a]Based on Tables 23-28, and assumptions in Appendix A.
[b]Net returns to land divided by 6.1 percent, the estimated average Commercial Bank rate of interest on 1st mortgages in Utah, 1961-1966.

Table 22. Partial farm enterprise budget for dryland wheat (two-year production period)

| | | |
|---|---|---|
| Receipts | | |
| 22.6 bushels @ $1.48 = | $33.67 | |
| Expenses | | |
| Gas & oil | $ 2.55 | |
| Seed | 1.83 | |
| Fertilizer | .58 | |
| Spray | .61 | |
| Other | .78 | |
| Labor 2.37 hrs. x $1.33 | 3.15 | |
| Interest on money in crop | .91 | |
| Interest on equipment | 1.68 | |
| Building depreciation | .44 | |
| Equipment depreciation | 3.24 | |
| Equipment repair | 1.94 | |
| Taxes | 1.35 | |
| Crop insurance | .48 | |
| Other | .05 | |
| Overhead | 1.96 | |
| Management | 3.37 | |
| Total | $24.92 | |
| Net return to land | $ 8.75 | |
| Capitalized value equals: | $ 8.75 | Net return to land |
| | 2 | Years included in net return |
| | .061 | Capitalization rate |
| = | $72.00 | |

Table 23. Partial farm enterprise planning budget for irrigated wheat

| Item | Per acre | | | |
|---|---|---|---|---|
| | Unit | Quantity | Price | Amount |
| Receipts: | | | | |
| Primary product | Bushels | 52 | $1.40 | $72.80 |
| By-products value (straw) | | | | 7.36 |
| Total receipts | | | | 80.16 |
| Expenses: | | | | |
| Fertilizers: Barnyard | Tons | 1.6 | 1.43 | 2.29 |
| Commercial | Cwt. | 29 | 6.03 | 1.75 |
| Seed | Lbs. | 102 | .0525 | 5.36 |
| Water | Acre-feet | 1.25 | 5.00 | 6.25 |
| Insecticides, herbicides | | | | .49 |
| Machine hire | | | | 3.51 |
| Tractor | Hrs. | 6.2 | 2.34 | 14.51 |
| Truck | Hrs. | .5 | 1.91 | .96 |
| Interest on fixed capital other than land | Dol. | 42.00 | .06 | 2.52 |
| Interest on operating money | Dol. | 12.00 | .07 | .34 |
| Capital rep. & depreciation | | | | 3.54 |
| Taxes: Machines & buildings | | | | .60 |
| Land | | | | 6.00 |
| Miscellaneous | | | | .54 |
| Labor | Hrs. | 9.82 | 1.33 | 13.06 |
| Overhead | | | | 6.22 |
| Management | | | | 8.02 |
| Total expenses | | | | $76.46 |
| Net return to land | | | | 3.70 |

Table 24. Partial farm enterprise planning budget for irrigated barley

| Item | Per acre | | | |
|---|---|---|---|---|
| | Unit | Quantity | Price | Amount |
| Receipts: | | | | |
| Primary product | Bushel | 62 | $1.06 | $65.72 |
| By-product value (straw) | | | | 7.91 |
| Total receipts | | | | $73.63 |
| Expenses: | | | | |
| Fertilizers: Barnyard | Tons | 2.6 | 1.38 | 3.54 |
| Commercial | Cwt. | .30 | 3.91 | 1.17 |
| Seed | Cwt | .96 | 3.60 | 3.46 |
| Water | Acre-feet | 1.25 | 5.00 | 6.25 |
| Insecticides | | | | .19 |
| Machine hire | | | | 3.13 |
| Tractor | Hrs. | 5.51 | 2.27 | 14.55 |
| Truck | Hrs. | .59 | 2.22 | 1.31 |
| Interest on fixed capital other than land | Dol. | 46.00 | .06 | 2.76 |
| Interest on operating money | Dol. | 13.00 | .07 | .91 |
| Capital rep. & depreciation | | | | 3.03 |
| Taxes: Machines & buildings | | | | .48 |
| Land | | | | 6.00 |
| Miscellaneous | | | | .54 |
| Labor | Hrs. | 9.48 | 1.33 | 12.61 |
| Overhead | | | | 5.99 |
| Management | | | | 7.36 |
| Total expenses | | | | $73.28 |
| Net return to land | | | | $ .35 |

Table 25. Partial farm enterprise planning budget for irrigated alfalfa

| Item | Per acre | | | |
|---|---|---|---|---|
| | Unit | Quantity | Price | Amount |
| Receipts: | | | | |
| Primary product | Tons | 4.24 | $22.32 | $94.64 |
| Total receipts | | | | 94.64 |
| Expenses: | | | | |
| Fertilizers: Commercial | Cwt. | .18 | 3.93 | .70 |
| Seed | Lbs. | 4.1 | .39 | 1.60 |
| Water | Acre-feet | 2.5 | 5.00 | 12.50 |
| Insecticides | | | | .51 |
| Machine hire | | | | 1.51 |
| Tractor | Hrs. | 5.68 | 2.18 | 12.38 |
| Truck | Hrs. | .46 | 2.06 | .95 |
| Interest on fixed capital Other than land | Dol. | 60.00 | .06 | 3.60 |
| Interest on operating money | Dol. | 28.00 | .07 | 1.96 |
| Capital rep. & depreciation | | | | 3.91 |
| Taxes: Machines & buildings | | | | .94 |
| Land | | | | 6.00 |
| Miscellaneous | | | | 1.10 |
| Labor | Hrs. | 11.5 | 1.33 | 15.30 |
| Overhead | | | | 6.30 |
| Management | | | | 9.46 |
| Total expenses | | | | 78.72 |
| Net return to land | | | | $15.92 |

Table 26. Partial farm enterprise planning budget for irrigated corn silage

| Item | Per acre | | | |
|---|---|---|---|---|
| | Unit | Quantity | Price | Amount |
| Receipts: | | | | |
| Primary product | Tons | 17.9 | $8.28 | $148.21 |
| By-products (pasture) | | | | 2.00 |
| Total receipts | | | | 150.21 |
| Expenses: | | | | |
| Fertilizers: Barnyard | Tons | 4.2 | 1.50 | 6.30 |
| Commercial | Cwt. | .63 | 12.51 | 7.88 |
| Sead | Lbs. | 15.3 | .22 | 3.37 |
| Water | Acre-feet | 2.0 | 5.00 | 10.00 |
| Insecticides, herbicides | Pint | .9 | .44 | .40 |
| Tractor | Hrs. | 3.5 | 2.14 | 18.19 |
| Truck | Hrs. | 3.2 | 1.43 | 4.58 |
| Interest on fixed capital other than land | Dol. | 106 | .06 | 6.36 |
| Capital rep. & depreciation[a] | | | | |
| Taxes: Machines & buildings | | | | 1.34 |
| Land | | | | 6.00 |
| Labor | Hrs. | 18.2 | 1.33 | 24.21 |
| Overhead | | | | 9.05 |
| Management | | | | 15.02 |
| Total expenses | | | | $114.57 |
| Net return to land | | | | $35.65 |

[a]Included with tractor and truck

Table 27. Partial farm enterprise planning budget for irrigated sugar beets

| Item | Per acre | | | |
|---|---|---|---|---|
| | Unit | Quantity | Price | Amount |
| Receipts: | | | | |
| Primary product | Tons | 18.4 | $15.18 | $279.31 |
| By-products value (tops) | | | | 8.41 |
| Total receipts | | | | 287.72 |
| Expenses: | | | | |
| Fertilizers: Barnyard | Tons | 4.3 | 1.49 | 6.39 |
| Commercial | Cwt. | 4.98 | 4.03 | 20.08 |
| Seed | Lbs. | 5.3 | .76 | 4.03 |
| Water | Acre-feet | 2.0 | 5.00 | 10.00 |
| Insecticides, fumigants | | | | 5.16 |
| Machine hire | | | | 4.06 |
| Tractor | Hrs. | 15.2 | 2.90 | 44.08 |
| Truck | Hrs. | 5.2 | 2.28 | 11.86 |
| Interest on fixed capital other than land | Dol. | 200.00 | .06 | 12.00 |
| Interest on operating money | Dol. | 57.00 | .07 | 3.99 |
| Capital rep. & depresiation | Dol. | | | 14.20 |
| Taxes: Machines & buildings | | | | .66 |
| Land | | | | 6.00 |
| Miscellaneous | | | | .60 |
| Labor | Hrs. | 54.6 | 1.33 | 72.62 |
| Overhead | | | | 21.57 |
| Management expense | | | | 28.77 |
| Total expenses | | | | 266.07 |
| Net return to land | | | | $ 21.65 |

Table 28. Partial farm enterprise planning budget for tomatoes

| Items | Per acre | | | |
|---|---|---|---|---|
| | Unit | Quantity | Price | Amount |
| Receipts: | | | | |
| Primary product | Tons | 19.80 | $26.12 | $518.74 |
| By-products value (culls) | 1 acre | | 5.00 | 5.00 |
| Total receipts | | | | |
| Expenses: | | | | |
| Fertilizers: Barnyard | Ton | 4.02 | 2.10 | 8.44 |
| Commercial | Cwt. | .2 | 4.75 | 9.50 |
| Seed (plants) | 1,000 | .6 | 7.36 | 44.16 |
| Water | Acre-feet | 2.0 | 5.00 | 10.00 |
| Box rent fees | | | | 8.00 |
| Tractor | Hrs. | 12.23 | 2.46 | 30.09 |
| Truck | Hrs. | 9.89 | 2.46 | 24.33 |
| Interest on fixed capital other than land | Dol. | 148.00 | .08 | 9.12 |
| Interest on operating money | Dol. | 51 | .07 | 2.59 |
| Capital rep. & depreciation | | | | 2.00 |
| Taxes: Machines & buildings | | | | 1.80 |
| Land | | | | 6.00 |
| Labor | Hrs. | 156.86 | 1.33 | 208.62 |
| Overhead | | | | 36.47 |
| Management | | | | 52.37 |
| Total expenses | | | | $453.49 |
| Net return to land | | | | $70.25 |

Table 29. Average prices received by farmers in Utah for wheat, barley, alfalfa, corn silage, sugar beets, and tomatoes, 1962-1966

| Year | Spring wheat | Barley | Alfalfa | Corn silage | Sugar beets | Tomatoes | Winter wheat |
|---|---|---|---|---|---|---|---|
| | Bushel | Bushel | Tons | Ton | Ton | Ton | Bushel |
| 1962 | --- | 1.03 | 20.10 | 7.40 | 16.30 | 25.40 | --- |
| 1963 | --- | 1.01 | 20.40 | 7.60 | 14.00 | 24.50 | --- |
| 1964 | 1.35 | 1.07 | 21.60 | 8.20 | 14.82 | 24.50 | 1.40 |
| 1965 | 1.34 | 1.07 | 23.00 | 8.40 | 15.29 | 24.50 | 1.65 |
| 1966 | 1.52 | 1.14 | 26.50 | 9.80 | 15.50 | 31.70 | 1.42 |

Table 30. Prices paid for selected farm inputs, United States and Utah, 1961-1966

| Year | 2,4-D[a] | DDT[a] | Farm wages[b] | Mortgage capital[c] |
|---|---|---|---|---|
| | Cents/lb. | Cents/lb. | Per hour | Interest |
| 1961 | 40.0 | 21.1 | --- | --- |
| 1962 | 38.2 | 20.9 | 1.28 | 6.1% |
| 1963 | 34.5 | 18.6 | 1.32 | 6.1% |
| 1964 | 34.5 | 16.6 | 1.34 | 6.1% |
| 1965 | 33.9 | 17.0 | 1.35 | 6.1% |
| 1966 | --- | --- | 1.36 | 6.15% |
| Average | 36.22 | 18.8 | 1.33 | 6.1% |

[a]Average wholesale price per pound, at works, United States. Source: Agricultural Statistics, U. S. Department of Agriculture

[b]Average wages paid farm workers in Utah.

[c]Estimated Commercial Bank average rate of interest on 1st mortgages in Utah.

Table 31. Indices of prices paid by farmers for selected agricultural inputs, United States, 1962-1966[a]

| Year | Seed | Fertilizer | Farm machinery | Motor vehicles |
|---|---|---|---|---|
| 1962 | 217 | 153 | 398 | 433 |
| 1963 | 231 | 152 | 405 | 447 |
| 1964 | 229 | 151 | 414 | 454 |
| 1965 | 237 | 152 | 426 | 464 |
| 1966 | 231 | 152 | 449 | 482 |
| Average | 229 | 152 | 418 | 456 |

[a]1910-14 = 100

Source: Agricultural Statistics, U. S. Department of Agriculture.

## Appendix B

### Frequency Distributions of 168 Parcels by Characteristics

### According to Location in Salt Lake County

Table 32. Frequency distribution of 168 parcels of "agricultural" land by present use according to location, with total acres, average sizes, Salt Lake County, 1967

| Location | Area number | Farmed | | | Idle | | | Other | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Number | Acres | Ave size | Number | Acres | Ave. size | Number | Acres | Ave. size |
| Big Cottonwood | 13 | 9 | 73.12 | 8.12 | 2 | 45.48 | 22.74 | 2 | 61.31 | 30.66 |
| Little Cottonwood | 24 | 17 | 213.61 | 12.57 | 5 | 44.90 | 8.98 | 2 | 13.17 | 6.59 |
| Magna | 17 | 8 | 498.78 | 62.35 | 7 | 326.49 | 46.44 | 2 | 760.00 | 380.00 |
| Draper | 24 | 15 | 153.46 | 10.23 | 8 | 205.81 | 25.73 | 1 | 18.00 | 18.00 |
| Valley | 38 | 33 | 527.84 | 16.00 | 5 | 43.84 | 8.77 | 0 | ---- | ---- |
| Jordan | 52 | 46 | 2,441.86 | 53.08 | 6 | 103.01 | 17.17 | 0 | ---- | ---- |
| Total | 168 | 128 | 3,908.67 | 30.54 | 33 | 769.01 | 23.32 | 7 | 852.48 | 121.78 |

Table 33. Frequency distribution of 168 parcels of "agricultural" land by acreage size of parcel according to location, Salt Lake County, 1967

| Location | Size range in acres | | | | | | Total |
|---|---|---|---|---|---|---|---|
| | 5.0 | 5.1-10 | 10.1-15 | 15.1-20 | 20.1-40 | 40.1 | |
| Big Cottonwood | 4 | 6 | 0 | 0 | 2 | 1 | 13 |
| Little Cottonwood | 7 | 8 | 4 | 2 | 3 | 0 | 24 |
| Magna | 3 | 2 | 0 | 3 | 2 | 7 | 17 |
| Draper | 6 | 7 | 3 | 4 | 2 | 2 | 24 |
| Valley | 10 | 9 | 7 | 7 | 3 | 2 | 38 |
| Jordan | 8 | 12 | 4 | 7 | 9 | 12 | 52 |
| Total | 38 | 44 | 19 | 23 | 21 | 23 | 168 |

Table 34. Frequency distribution of 168 parcels of "agricultural" land according to location, Salt Lake County, 1967

| Location | agriculture | One side developed | Two sides developed | Three sides developed | Four sides developed |
|---|---|---|---|---|---|
| Big Cottonwood | 2 | 2 | 1 | 4 | 4 |
| Little Cottonwood | 9 | 3 | 7 | 1 | 4 |
| Magna | 12 | 1 | 0 | 2 | 2 |
| Draper | 19 | 4 | 0 | 0 | 1 |
| Valley | 20 | 6 | 7 | 3 | 2 |
| Jordan | 39 | 7 | 4 | 0 | 2 |
| Total | 101 | 23 | 19 | 10 | 15 |
| % of total | 60.1 | 3.7 | 11.3 | 6.0 | 8.9 |

Table 35. Frequency distribution of 168 parcels of "agricultural" land by occupation of owner according to location, Salt Lake County, 1967

| Location | Farmer | Self employed | Profes-sional | Profes-sional salaried | Sales clerical | Skil-led | Semi-skil-led | Un-skil-led | Re-tired | Corpor-ations companies | Other | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Big Cottonwood | 0 | 1 | 2 | 1 | 0 | 0 | 1 | 0 | 3 | 4 | 1 | 13 |
| Little Cottonwood | 4 | 4 | 1 | 4 | 0 | 0 | 1 | 0 | 8 | 1 | 1 | 24 |
| Magna | 6 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 2 | 6 | 2 | 17 |
| Draper | 5 | 2 | 4 | 1 | 1 | 4 | 3 | 0 | 2 | 0 | 2 | 24 |
| Valley | 11 | 1 | 2 | 4 | 1 | 4 | 1 | 0 | 11 | 3 | 0 | 38 |
| Jordan | 18 | 2 | 0 | 2 | 0 | 3 | 3 | 0 | 15 | 7 | 2 | 52 |
| Total | 44 | 11 | 9 | 12 | 2 | 11 | 9 | 0 | 41 | 21 | 8 | 168 |

# VITA

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