



Support HB 1900 and SB 1581 Fair Property Taxes for Small Farmers and Community Gardens

Houston Food Policy Workgroup
a coalition hosted by Houston Tomorrow

Although Texas statutory law provides for “agricultural valuation” of land used primarily for raising food, many farmers across the state have experienced problems in qualifying for such valuation due to bias against sustainable farming methods, urban farms, and produce farmers. **HB 1900, by Representative Eddie Rodriguez, and SB 1581, by Senator Zaffirini, provide for fair, consistent application of agricultural valuation for all types of farmers.**

Open-space land provides important social and economic value to our communities. In addition, cities and counties pay very little for services to such land compared to the infrastructure needed for developed properties. Thus, the Texas Constitution provides that landowners who maintain open spaces may pay property taxes based on a lower, open-space valuation of their property.

The Tax Code provides that land shall be appraised as qualified agricultural land if it is “devoted principally to agricultural use to the degree of intensity generally accepted in the area” for five of the preceding seven years. Unfortunately, many county tax assessors have applied the provision so as to exclude many legitimate farms.

HB 1900 and SB 1581 clarify the Tax Code by:

1. Specifying that fruit and vegetable production qualify as “agricultural uses.” There have been multiple cases of county tax assessors asserting that growing vegetables isn’t agriculture, although there is no basis in the statute for such an assertion.
2. Directing tax appraisers to consider the type of production used, including organic and sustainable methods such as rotational grazing, in determining the degree of intensity of use necessary to qualify.
3. Specifying that nonprofit community gardens qualify as “agricultural uses.”
4. Directing the Comptroller, in consultation with Texas A&M AgriLife Extension, tax appraisal districts, and representatives of affected farmers, to develop guidelines to address under what conditions community gardens, small tracts, and diversified farms qualify for agricultural valuation. The Comptroller is also directed to provide the necessary educational resources to help county tax appraisers fairly and consistently apply these provisions.

The landowner will still have show that the land is devoted principally to agricultural use, and has been for at least five of the preceding seven years. The landowner will also remain subject to five years of rollback taxes if the property ceases to be used for agricultural purposes.

This proposal does **not** seek to increase the number of landowners who are entitled to open-space valuation; rather, it merely ensures that people who should already qualify for agricultural valuation under the Texas Constitution are not inappropriately excluded by local authorities.

HB 1900 and SB 1581 are supported by the Farm and Ranch Freedom Alliance, Texas Certified Farmers Market Association, Texas Organic Farmers and Gardeners Association, Sustainable Food Center, Food Policy Council of San Antonio, Slow Food Austin, Farm and Food Coalition (East Texas Community Food Coalition), Farm-to-Consumer Legal Defense Fund, Weston A. Price Foundation, Homegrown Revival, and the Houston Food Policy Workgroup.

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