

## Staff Report for 2026 State Board of Equalization

**Prepared By:** Property Tax Division

**File No.:** 2026 – REPORT – GOLDEN VALLEY – AGRICULTURAL TOLERANCE

**County or City:** GOLDEN VALLEY COUNTY

**Appellant:**

**Type of Appeal:** TOLERANCE LEVEL

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**Appeal Issue:** As a class, agricultural values in Golden Valley County are at 101% of the NDSU average agricultural value per acre.

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**Analysis:** Golden Valley County's agricultural values are assessed at 101% of the NDSU average agricultural value per acre.

Property Tax Division staff determined that historical average sales ratio for agricultural land in Golden Valley County is 96% of the NDSU average agricultural value per acre. Golden Valley County Director of Tax Equalization, Ms. Carla Beeler, expressed concerns that a decrease in the agricultural value this year might result in a large increase in following years.

North Dakota Century Code § 57-02-27.2(1) provides, "'True and full value" of agricultural lands must be their agricultural value for the purposes of sections 57-02-27, 57-02-27.1, 57-02-27.2, and 57-55-04. Agricultural value is defined as the "capitalized average annual gross return", except for inundated agricultural land. The "annual gross return" must be determined from crop share rent, cash rent, or a combination thereof reduced by estimated property taxes and crop marketing expenses incurred by farmland owners renting their lands on a cash or crop share basis."

A countywide decrease of 2% to Golden Valley County agricultural property would bring the agricultural property values to 99% of true and full value. However, the sales ratio study for Golden Valley County residential and commercial property yielded sales ratios of 92% for residential property and 97% for commercial property. More than a 2% decrease to agricultural property might help ensure values are equalized between the classes of property.

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**Summary of Findings:** Golden Valley County's agricultural values are assessed at 101% of the NDSU average agricultural value per acre. The sales ratio study for Golden Valley County residential and commercial property yielded sales ratios of 92% for residential property and 97% for commercial

property. A countywide decrease of 2% to Golden Valley County agricultural property would decrease the average price per acre from \$292.25 to \$286.40, lower the total true and full value from \$148,302,193, to approximately \$145,336,149, and bring the agricultural property values to 99% of true and full value.

**Proposal for Board Review:** It is recommended that the State Board of Equalization direct Golden Valley County to decrease agricultural property located throughout the county by 2% to an approximate value of \$145,336,149.

### Golden Valley County Agricultural Values and Tolerance Levels Historically

|                                                  | 2017        | 2018        | 2019        | 2020        | 2021        |
|--------------------------------------------------|-------------|-------------|-------------|-------------|-------------|
| <b>Total Agricultural True &amp; Full Value:</b> | 149,234,800 | 152,529,600 | 155,778,100 | 149,590,460 | 149,208,800 |
| <b>Total Agricultural Acres:</b>                 | 506,304.88  | 506,320.84  | 506,318.91  | 506,342.37  | 506,560.09  |
| <b>Average Value per Acre:</b>                   | \$ 294.75   | \$ 301.25   | \$ 307.67   | \$ 295.43   | \$ 294.55   |
| <b>NDSU determine Average Value per Acre:</b>    | \$ 308.60   | \$ 317.49   | \$ 323.57   | \$ 303.05   | \$ 303.38   |
| <b>Indicated Sales Ratio:</b>                    | 96%         | 95%         | 95%         | 97%         | 97%         |

|                                                  | 2022        | 2023        | 2024        | 2025        | 2026        |
|--------------------------------------------------|-------------|-------------|-------------|-------------|-------------|
| <b>Total Agricultural True &amp; Full Value:</b> | 140,581,100 | 137,353,100 | 137,310,275 | 148,313,900 | 148,302,193 |
| <b>Total Agricultural Acres:</b>                 | 506,390.50  | 506,461.12  | 506,454.89  | 506,422.03  | 507,450.67  |
| <b>Average Value per Acre:</b>                   | \$ 277.61   | \$ 271.20   | \$ 271.12   | \$ 292.87   | \$ 292.25   |
| <b>NDSU determine Average Value per Acre:</b>    | \$ 290.66   | \$ 285.36   | \$ 278.81   | \$ 319.58   | \$ 288.65   |
| <b>Indicated Sales Ratio:</b>                    | 96%         | 95%         | 97%         | 92%         | 101%        |

Average Sales Ratio: 96%

| Tolerance Level | Total True & Full Value by Tolerance Level | Change to Reach Total True and Full Value | Total True & Full Value After Change | Value per Acre |
|-----------------|--------------------------------------------|-------------------------------------------|--------------------------------------|----------------|
| 100%            | 146,475,636                                | -1.00%                                    | 146,819,171                          | \$ 289.33      |
| 99%             | 145,010,880                                | -2.00%                                    | 145,336,149                          | \$ 286.40      |
| 98%             | 143,546,123                                | -3.00%                                    | 143,853,127                          | \$ 283.48      |
| 97%             | 142,081,367                                | -4.00%                                    | 142,370,105                          | \$ 280.56      |
| 96%             | 140,616,610                                | -5.00%                                    | 140,887,083                          | \$ 277.64      |
| 95%             | 139,151,854                                | -7.00%                                    | 137,921,039                          | \$ 271.79      |
| 94%             | 137,687,098                                | -8.00%                                    | 136,438,018                          | \$ 268.87      |
| 93%             | 136,222,341                                | -9.00%                                    | 134,954,996                          | \$ 265.95      |
| 92%             | 134,757,585                                | -10.00%                                   | 133,471,974                          | \$ 263.02      |
| 91%             | 133,292,829                                | -11.00%                                   | 131,988,952                          | \$ 260.10      |
| 90%             | 131,828,072                                | -12.00%                                   | 130,505,930                          | \$ 257.18      |