



# The National Agricultural Law Center

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## States' Differential Tax Assessment of Agricultural Land Statutes *Arkansas*



This material is based upon work supported by the National Agricultural Library, Agricultural Research Service, U.S. Department of Agriculture

# A National Agricultural Law Center Research Publication

## States' Differential Tax Assessment of Agricultural Land Statutes State of Arkansas

[Ark. Code Ann. § 26-26-303](#)  
[Ark. Code Ann. § 26-26-407\(b\)](#)  
[Ark. Code Ann. § 26-26-1108](#)

*The constitution and statutes are current through (1) laws passed in the 2018 Fiscal Session and the Second Extraordinary Session of the 91st Arkansas General Assembly, (2) ballot issues adopted at the November 6, 2018, general election, and (3) changes made by the Arkansas Code Revision Commission received through October 31, 2018.*

### **§ 26-26-303. Valuation used in appraisals**

- (a) The appraisal and assessment shall be according to value as required by Arkansas Constitution, Article 16, Section 5.
- (b) The percentage of true and full market or actual value to be used in the appraisal and assessment shall be fixed and certified by the Arkansas Public Service Commission as provided by § 26-24-104.
- (c) Until and unless a budget system is adopted with provisions for eliminating excessive and illegal tax rates and expenditures, the commission shall not fix and certify a percentage of true and full market or actual value in excess of twenty percent (20%).

### **§ 26-26-407(b). Valuation of different types and uses of property**

- (b)(1) (A) Agricultural land, pasture land, and timber land valuation shall be based on the productivity of the agricultural land, pasture land, or timber land soil.  
(B) Agricultural land, pasture land, and timber land guidelines shall be developed based on the typical or most probable use of the soils for agricultural land, pasture land, and timber land in the region.
- (2) Land that is enrolled in the Wetlands Reserve Program of the Natural Resources Conservation Service of the United States Department of Agriculture or in the Conservation Reserve Program of the Natural Resources Conservation Service of the United States Department of Agriculture shall be treated as agricultural land, pasture land, or timber land for purposes of valuation.



## § 26-26-1108. Certain agricultural lands

- (a) All lands which may be annexed by any city or incorporated town which are being used for agricultural purposes shall be assessed as agricultural lands upon an acreage basis, regardless of the fact that any or all of the lands are embraced in a plat of a subdivision or other real estate development, and regardless of the fact that the lands may be zoned as commercial, industrial, or residential, and regardless of the fact that the lands may be adaptable to commercial, industrial, or residential uses.
- (b) Agricultural purposes shall include lands which are presently used and have been used for a period of five (5) continuous years in a bona fide farming, pasture, or grove operation by the owner, lessee, or some person in his or her employ.
- (c) Lands which have not been used for agricultural purposes prior to March 29, 1963, shall be prima facie subject to assessment on the same basis as assessed for the previous years, and any demand for a reassessment of such lands for agricultural purposes shall be subject to the scrutiny of the county assessor to the end that the lands shall be classified properly.
- (d) When lands subject to this section cease to be used for agricultural purposes, the lands shall be assessed as other lands of the same character.
- (e) For the purposes of this section, agricultural lands shall include dairy, livestock, poultry, and all forms of farm products and farm production.

