

COUNTY OF SHELBY

FARMLAND ASSESSMENT REVIEW COMMITTEE

301 E MAIN ST SHELBYVILLE
SHELBY COUNTY COURTHOUSE
217-774-5579

Deborah Dunaway, CIAO
Troy Uphoff
Wes Durbin
Mike Wheeler
Chris Johnston BOR
Gregg Brown BOR

Agenda for Annual Meeting of the Farmland Assessment Review Committee
Shelby County Courthouse
Courtroom B second floor
301 E Main
Shelbyville Illinois 62565
May 24, 2024 at 1:00 p.m.

1. Call to order.

2. Approval of the minutes of the meeting May 18, 2023

3. Review of the 2025 certified values of farmland proposed by the Department of Revenue and the implementation of the procedures proposed.

PUBLIC HEARING

4. Receipt of public comment on the 2025 certified values of farmland proposed by the Department of Revenue

5. Instruct Supervisor of Assessments to implement the 2025 certified values of farmland and procedure proposed by the Department of Revenue.

6. Additional Business

7. Additional Public Comment

8. Adjournment



April 29, 2024

Certification of Assessment Year 2025 Farmland Values

The assessment year 2025 department-certified equalized assessed value (EAV) for each soil productivity index (PI) is on Page 2 of this certification. The certified values have been adjusted by the Farmland Assessment Technical Advisory Board to limit the annual change to 10 percent from the preceding year's median soil productivity index certified assessed value.¹

• **Cropland** must be assessed at the full amount of the certified EAV that corresponds to its debased PI, but no lower than 1/3 of the value for the lowest PI certified (i.e., for assessment year 2025, \$126.34/acre);

• **Permanent pasture** must be valued at one-third of its debased PI EAV as cropland, but no lower than 1/3 of the value for the lowest PI certified (i.e., for assessment year 2025, \$126.34/acre);

• **Other farmland** must be valued at one-sixth of its PI EAV as cropland, but no lower than 1/6 the value of the lowest PI certified (i.e., for assessment year 2025, \$63.19/acre).²

Please see Publication 122, Instructions for Farmland Assessments, for additional information about the proper assessment of farmland. This publication is available on our web site at tax.illinois.gov.

The proposed average EAV by county per acre of cropland and the proposed average EAV per acre of all farmland by county is attached. Proposed averages are not used in the assessment process and should not be used by taxing districts as a basis for determining budget requests.

If you have any questions regarding this material, please feel free to contact the Property Tax Division at (217) 785-1356 or email us at Rev.PropertyTax@illinois.gov.

David Harris
Director of Revenue

¹ See Illinois Property Tax Code, 35 ILCS 200/10-15, paragraph (e) as amended by Public Act 98-0109
² See Illinois Property Tax Code, 35 ILCS 200/10-125

Certified Values for Assessment Year 2025 (\$ per acre)

Average Management PI	Gross Income	Non-Land Production Costs	Net Land Return	Agricultural Economic Value	Equalized Assessed Value	* 2025 Certified Value
82	\$602.12	\$480.13	\$122.00	\$2,525.82	\$841.94	\$379.06
83	\$607.56	\$482.34	\$125.22	\$2,592.59	\$864.20	\$380.67
84	\$612.99	\$484.54	\$128.45	\$2,659.37	\$886.46	\$382.28
85	\$618.42	\$486.75	\$131.67	\$2,726.14	\$908.71	\$383.95
86	\$623.86	\$488.96	\$134.90	\$2,792.91	\$930.97	\$385.63
87	\$629.29	\$491.17	\$138.12	\$2,859.68	\$953.23	\$387.24
88	\$634.72	\$493.38	\$141.35	\$2,926.45	\$975.48	\$388.74
89	\$640.16	\$495.59	\$144.57	\$2,993.23	\$997.74	\$394.94
90	\$645.59	\$497.79	\$147.80	\$3,060.00	\$1,020.00	\$401.34
91	\$651.02	\$500.00	\$151.02	\$3,126.77	\$1,042.26	\$407.75
92	\$656.46	\$502.21	\$154.25	\$3,193.54	\$1,064.51	\$414.15
93	\$661.89	\$504.42	\$157.47	\$3,260.31	\$1,086.77	\$420.55
94	\$667.32	\$506.63	\$160.70	\$3,327.09	\$1,109.03	\$426.97
95	\$672.76	\$508.84	\$163.92	\$3,393.86	\$1,131.29	\$433.37
96	\$678.19	\$511.04	\$167.15	\$3,460.63	\$1,153.54	\$439.77
97	\$683.63	\$513.25	\$170.37	\$3,527.40	\$1,175.80	\$446.17
98	\$689.06	\$515.46	\$173.60	\$3,594.17	\$1,198.06	\$452.56
99	\$694.49	\$517.67	\$176.82	\$3,660.95	\$1,220.32	\$459.67
100	\$699.93	\$519.88	\$180.05	\$3,727.72	\$1,242.57	\$469.35
101	\$705.36	\$522.09	\$183.27	\$3,794.49	\$1,264.83	\$479.59
102	\$710.79	\$524.29	\$186.50	\$3,861.26	\$1,287.09	\$490.12
103	\$716.23	\$526.50	\$189.72	\$3,928.03	\$1,309.34	\$500.75
104	\$721.66	\$528.71	\$192.95	\$3,994.81	\$1,331.60	\$510.47
105	\$727.09	\$530.92	\$196.17	\$4,061.58	\$1,353.86	\$518.75
106	\$732.53	\$533.13	\$199.40	\$4,128.35	\$1,376.12	\$527.14
107	\$737.96	\$535.34	\$202.62	\$4,195.12	\$1,398.37	\$535.46
108	\$743.39	\$537.54	\$205.85	\$4,261.89	\$1,420.63	\$542.95
109	\$748.83	\$539.75	\$209.07	\$4,328.67	\$1,442.89	\$550.30
110	\$754.26	\$541.96	\$212.30	\$4,395.44	\$1,465.15	\$557.73
111	\$759.69	\$544.17	\$215.52	\$4,462.21	\$1,487.40	\$567.12
112	\$765.13	\$546.38	\$218.75	\$4,528.98	\$1,509.66	\$577.60
113	\$770.56	\$548.59	\$221.97	\$4,595.75	\$1,531.92	\$588.26
114	\$775.99	\$550.79	\$225.20	\$4,662.53	\$1,554.18	\$599.11
115	\$781.43	\$553.00	\$228.43	\$4,729.30	\$1,576.43	\$610.11
116	\$786.86	\$555.21	\$231.65	\$4,796.07	\$1,598.69	\$621.33
117	\$792.29	\$557.42	\$234.88	\$4,862.84	\$1,620.95	\$632.70
118	\$797.73	\$559.63	\$238.10	\$4,929.62	\$1,643.20	\$644.21
119	\$803.16	\$561.84	\$241.33	\$4,996.39	\$1,665.46	\$655.94
120	\$808.59	\$564.04	\$244.55	\$5,063.16	\$1,687.72	\$674.05
121	\$814.03	\$566.25	\$247.78	\$5,129.93	\$1,709.98	\$720.80
122	\$819.46	\$568.46	\$251.00	\$5,196.70	\$1,732.23	\$765.08
123	\$824.89	\$570.67	\$254.23	\$5,263.47	\$1,754.49	\$780.25
124	\$830.33	\$572.88	\$257.45	\$5,330.25	\$1,776.75	\$802.09
125	\$835.76	\$575.09	\$260.68	\$5,397.02	\$1,799.01	\$849.49
126	\$841.19	\$577.29	\$263.90	\$5,463.79	\$1,821.26	\$898.20
127	\$846.63	\$579.50	\$267.13	\$5,530.56	\$1,843.52	\$948.23
128	\$852.06	\$581.71	\$270.35	\$5,597.33	\$1,865.78	\$969.30
129	\$857.49	\$583.92	\$273.58	\$5,664.11	\$1,888.04	\$989.41
130	\$862.93	\$586.13	\$276.80	\$5,730.88	\$1,910.29	\$1,009.74

The 5-year capitalization rate is 4.83 percent.

10% Increase of 2024 certified value at PI 111 is \$51.56

* These values reflect the Statutory changes to 35 ILCS 200/10-115e under Public Act 98-0109.
 * Farmland values are as certified by the Farmland Assessment Technical Advisory Board. Any differences in calculations are due to rounding at different stages of calculations.

ASSESSMENT YEAR 2025
 COUNTY PROJECTED AVERAGE EQUALIZED ASSESSED VALUE PER ACRE OF CROPLAND
 PROJECTED AVERAGE EQUALIZED ASSESSED VALUE PER ACRE OF ALL FARMLAND

County	(6) Avg. EAV Cropland	(7) Avg. EAV All Farmland
County Adams	559	411
Alexander	480	212
Bond	439	329
Boone	634	547
Brown	525	311
Bureau	673	568
Cahoun	493	222
Carroll	614	464
Cass	624	354
Champaign	814	411
Christian	691	619
Clark	468	342
Clay	413	310
Clinton	450	377
Coles	720	465
Cook	315	-
Crawford	449	341
Cumberland	441	332
DeKalb	781	730
DeWitt	775	693
Douglas	758	429
DuPage	631	-
Edgar	716	609
Edwards	437	358
Effingham	432	317
Fayette	420	313
Ford	605	561
Franklin	418	292
Fulton	578	383
Gallatin	501	393
Greene	640	449
Gundy	637	537
Hamilton	414	317
Hancock	648	447
Hardin	412	166
Henderson	664	474
Henry	641	559
Irroquois	547	309
Jackson	428	292
Jasper	437	341
Jefferson	412	317
Jersey	666	492
JoDavless	476	302
Johnson	383	205
Kane	702	608
Kankakee	536	423
Kendall	708	630
Knox	697	529
Lake	496	353
LaSalle	760	675
Lawrence	430	351
County Lee	666	587
Livingston	579	390
Logan	783	750
McDonough	750	750
McHenry	583	583
McLean	742	742
Macon	817	817
Macoupin	589	589
Madison	491	491
Marion	409	409
Marshall	708	708
Mason	523	523
Massac	442	442
Menard	730	730
Mercer	634	634
Monroe	441	441
Montgomery	524	524
Morgan	712	712
Moultrie	766	766
Ogle	654	654
Peoria	650	650
Perry	409	409
Platt	866	866
Pike	520	520
Pope	402	402
Pulaski	440	440
Putnam	761	761
Randolph	443	443
Richard	416	416
Rock Island	610	610
St. Clair	478	478
Saline	424	424
Sangamon	769	769
Schuyler	575	575
Scott	567	567
Shelby	592	592
Stark	720	720
Stephenson	589	589
Tazewell	699	699
Union	441	441
Vermilion	697	697
Wabash	493	493
Warren	734	734
Washington	430	430
Wayne	416	416
White	413	413
Whiteside	568	568
Will	546	546
Williamson	402	402
Winnebago	558	558
Woodford	756	756

*Cook & DuPage county only reported cropland data



Calculating the EAV for cropland that has a PI below the lowest PI certified by IDOR

Beginning in 2006, the lowest PI certified by the department is a PI of 82 (previously 60). Although the lowest certified PI has changed, the procedure used to calculate the equalized assessed value for soil that has a PI below the lowest certified PI remains the same.

- Cropland is assessed at the full amount of the certified EAV corresponding to its debased PI, but no lower than 1/3 of the value for the lowest PI certified.
- Permanent pasture is assessed at 1/3 of its debased PI EAV as cropland, but no lower than 1/3 of the value for the lowest PI certified.
- Other farmland is assessed at 1/6 of its debased PI EAV as cropland, but no lower than 1/6 of the value for the lowest PI certified.

Steps to assess cropland with a PI below lowest certified PI

- Step 1** Subtract the EAV of the lowest certified PI from the EAV for a PI that is five PIs greater.
- Step 2** Divide the result of Step 1 by 5. The result is the average EAV reduction per PI point for the 5 lowest certified PIs.
- Step 3** Subtract the PI of the cropland being assessed from the lowest PI for which the department certified a cropland EAV.
- Step 4** Multiply the result of Step 2 by the result of Step 3.
- Step 5** Subtract the result of Step 4 from the lowest EAV for cropland certified by the department.
- Step 6** The EAV of the cropland being assessed will either be the result of Step 5 or 1/3 of the EAV of cropland for the lowest certified PI, whichever is greater.

Assessment year 2025 example

Lowest certified PI is 82; 2025 certified value for a PI of 82 is \$379.06.
 Example cropland PI is 79.

Step 1	EAV for PI of 87	\$387.24	EAV for PI of 82	- 379.06	\$ 8.18
Step 2	\$8.18 divided by 5 = \$1.64 average per PI point.				
Step 3	Lowest PI certified Cropland PI	82	Number of points	3	
Step 4	Result from Step 2	\$ 1.64	Result from Step 3	x 3	\$ 4.92
Step 5	Lowest certified PI EAV	\$ 379.06	Result from Step 4	- 4.92	\$ 374.14
Step 6	Greater of a or b below		a Result from Step 5	\$ 374.14	
			b 1/3 of \$379.06	\$ 126.34	
			(lowest EAV certified)		

The EAV for a cropland soil with a PI of 79 is \$374.14

Sec. 10-120. County Farmland Assessment Review Committee. A County Farmland Assessment Review Committee (hereafter referred to as the Committee) shall be established in each county to advise the chief county assessment officer on the interpretation and application of the state-certified farmland values, guidelines and the implementation of this Section. The Committee shall consist of 5 members: the chief county assessment officer or his or her designee, the Chairman of the County Board of Review or another member of that Board appointed by the Chairman, and 3 farmers appointed by the Chairman of the County Board. The County Board of each county may fix the compensation of members of the Committee for attendance at meetings of the committee. The chief county assessment officer or designee shall be chairman and shall convene the Committee on or about May 1 of each year. The Committee may solicit public input.

Each chief county assessment officer shall present annually to the Committee the farmland valuation procedure to be used in that county and the equalized assessed valuations by productivity index to be used for the next assessment year. On or about June 1, the Committee shall hold a public hearing on the equalized assessed values of farmland proposed by the Department and the implementation of the procedures proposed by the chief county assessment officer. If the Committee concurs with the procedures and valuations, the chief county assessment officer shall proceed with the farmland assessment process. If the Committee objects to the procedures or valuations proposed, the Committee shall make alternate recommendations to the Department by August 1. The Department shall rule within 30 days and direct the chief county assessment officer to implement the ruling. The Committee may appeal the Department's ruling to the Property Tax Appeal Board within 30 days. The Property Tax Appeal Board shall be the final authority in any appeal and its decisions under this paragraph shall not be subject to the Administrative Review Law. Appeals by the Committee shall be heard by the Property Tax Appeal Board within 30 days of receipt; a decision must be rendered within 60 days of receipt, and not later than December 31 of the year preceding the assessment year. Appeals by the Committee of any county shall take precedence over all individual taxpayer appeals.

(Source: P.A. 86-954; 88-455.)

Sec. 10-115. Department guidelines and valuations for farmland. The Department shall issue guidelines and recommendations for the valuation of farmland to achieve equitable assessment within and between counties.

The Director of Revenue shall appoint a five-person Farmland Assessment Technical Advisory Board, consisting of technical experts from the colleges or schools of agriculture of the State universities and State and Federal agricultural agencies, to advise in and provide data and technical information needed for implementation of this Section.

By May 1 of each year, the Department shall certify to each chief county assessment officer the following, calculated from data provided by the Farmland Technical Advisory Board, on a per acre basis by soil productivity index for harvested cropland, using moving averages for the most recent 5-year period for which data are available:

(a) gross income, estimated by using yields per acre as assigned to soil productivity indices, the crop mix for each soil productivity index as determined by the College of Agriculture of the University of Illinois and average prices received by farmers for principal crops as published by the Illinois Crop Reporting Service;

(b) production costs, other than land costs, provided by the College of Agriculture of the University of Illinois;

(c) net return to land, which shall be the difference between (a) and (b) above;

(d) a proposed agricultural economic value determined by dividing the net return to land by the moving average of the Federal Land Bank farmland mortgage interest rate as calculated by the Department;

(e) the equalized assessed value per acre of farmland for each soil productivity index, which shall be 33-1/3% of the agricultural economic value, or the percentage as provided under Section 17-5; but any increase or decrease in the equalized assessed value per acre by soil productivity index shall not exceed 10% from the immediate preceding year's soil productivity index certified assessed value of the median cropped soil; in tax year 2015 only, that 10% limitation shall be reduced by \$5 per acre;

(f) a proposed average equalized assessed value per acre of cropland for each individual county, weighted by the distribution of soils by productivity index in the county;

(g) a proposed average equalized assessed value per acre for all farmland in each county, weighted (1) to consider the proportions of all farmland acres in the county which are cropland, permanent pasture, and other farmland, and (ii) to reflect the valuations for those types of land and devaluations for slope and erosion as required by Section 10-125.

(Source: P.A. 98-109, eff. 7-25-13.)

FARMLAND ASSESSMENTS

Pursuant to the Property Tax Code 35 ILCS 200/10-110 thru 10-145, farmland in Illinois is assessed for property tax purposes on the basis of its agricultural economic value. This value, commonly referred to as use-value, is based upon land use under average level management, relative productivity of soils, and the present worth of the net income accruing to the land from farm production. When used in connection with valuing land and buildings for agricultural use, the state Property Tax Code considers property to be a farm if one of the following uses is the principal use.

- The growing and harvesting of crops.
- The feeding, breeding and management of livestock.
- Dairying or for any other agricultural or horticultural use or combination thereof; including, but not limited to, hay, grain, fruit, truck or vegetable crops, floriculture, mushroom growing, plant or tree nurseries, orchards, forestry, sod farming and greenhouses.
- Keeping, raising and feeding of livestock, including dairying, poultry, swine, sheep, beef cattle, ponies or horses, fur farming, bees, fish and wildlife farming⁴²

Also, to qualify for a farm assessment, the farm use must have been established for at least two years preceding the date of assessment. As the assessment date for 2024 is January 1, 2024, a qualifying property must have established a farm use as a principal use no later than January 1, 2022.⁴³

In addition to these statutes, there have been several applicable decisions on this issue:

- The present use of land determines whether it is entitled to a farmland classification for assessment purposes.⁴⁴
- A parcel of land may be classified as farmland even if that parcel is part of a parcel that has other uses⁴⁵, provided that the portion so classified is used solely for agricultural purposes.⁴⁵
- The Illinois Property Tax Appeal Board has drawn a distinction between "a mere plan" to farmland as opposed to actual farm use.

In setting the assessment on a farm parcel assessing officials must consider four separate parts of the farm. Each of these parts and their statutorily prescribed method of assessments, are as follows.

- A. Farm Homestead** This is defined as that land on a farm parcel being used for residential purposes. The homestead is assessed as all other residential land in the county. The market value would be whatever comparable rural residential land is selling for in the area. This part of the farm parcel assessment is subject to county and state equalization factors.
- B. Farm Residence** This is to be assessed as all other residential improvements in the county. This part of the farm parcel assessment is also subject to county and state equalization factors.

- C. **Farm Buildings** These are assessed at 33 1/3% of their contributory value to the productivity of the farm. Contributory value considers the current use of the improvements and what that use adds to the overall productivity of the farm operation.
- **D. Farmland** This is assessed according to its soil productivity considering farmland use and factors which may detract from productivity. The State computes soil productivity index use-value assessment figures as a basis for the local assessment of individual parcels
- Cropland is assessed according to the value of its adjusted soil productivity index (PI).
- Permanent pasture is assessed at one-third of its adjusted PI assessed value as cropland.
- Other farmland is assessed at one-sixth of its PI assessed value as cropland.
- Wasteland is assessed at its contributory value.

Finally, the property tax code requires that the definition of farm use "does not include property which is primarily used for residential purposes even though some farm products may be grown, or farm animals bred or fed on the property incidental to its primary use."⁴⁷ Use for residential purposes include the use of separate platted lots adjoining a residential lot where the adjoining lots are mowed and used "as an extension of the personal residence" of the property owner.⁴⁸ In other words, if there is a residential use on a property (such as a single-family home), then a farm assessment cannot be granted unless a majority (more than 50%) of the property has been established as farm use. For the 2024 assessment year, this means that the farm use must have been established on a majority of the property on or before January 1, 2022.

The 2024 Certified Values as developed by the Illinois Department of Revenue and approved by the Shelby County Farmland Assessment Review Committee are on the Supervisor of Assessments web page. <https://shelbycounty-il.gov/coassess.aspx> For more detailed information on Farmland Assessments, the Department of Revenue has developed a variety of publication:

Instructions for Farmland Assessments.....<http://tax.illinois.gov/Publications/Pubs/Pub-122.pdf>
 Preferential Assessments
 For Wooded Acreage.....<http://tax.illinois.gov/Publicatio/Pubs/Pub-35.pdf>

⁴² 35 ILCS 200/1-60
⁴³ 35 ILCS200/10-110
⁴⁴ Bond County Board of Review v. Property Tax Appeal Board, 796 N.E. 2^d 628, 631 (Ill. App. Ct.2003)
⁴⁵ Senachwine Club v. Putnam County Board of Review, 362 Ill.App. 3d 566,568 (Ill. App.Ct 2005)
⁴⁶ In re: Buss Partnership/Rodney S. Buss, Docket No. 05-00752.001-F-1 PTAB 2007
⁴⁷ 35 ILCS 200/1-60