**Agriculture Land Cap Rates**

For agricultural or open-space land, Tax Code Section 23.53 requires appraisal districts to use a cap rate that is the greater of 10 percent or the interest rate specified on the previous Dec. 31 by the Farm Credit Bank of Texas plus 2.5 percent. The bank's interest rate on Dec. 31, 2021, was 2.63 percent. With the 2.5 percent added, that rate became 5.13 percent. Since 10 percent is the greater rate, the 2022 cap rate is 10 percent. The cap rate for the past 10 years has been 10 percent, the last time it was not 10 percent was 2007, when it was 10.13 percent.

| Agriculture Land Cap Rates | |
| --- | --- |
| **Year** | **Percent** |
| **2012** | 10 |
| **2013** | 10 |
| **2014** | 10 |
| **2015** | 10 |
| **2016** | 10 |
| **2017** | 10 |
| **2018** | 10 |
| **2019** | 10 |
| **2020** | 10 |
| **2021** | 10 |
| **2022** | 10 |