



Ohio Administrative Code Rule 5703-25-30 Definitions.

Effective: September 11, 2017

As used in rules 5703-25-30 to 5703-25-36 of the Administrative Code, the following definitions shall apply unless the context requires otherwise:

(A) Statutory definitions: The following terms are as defined in section 5713.30 of the Revised Code.

- (1) "Land devoted exclusively to agricultural use";
- (2) "Conversion of land devoted exclusively to agricultural use";
- (3) "Tax savings";
- (4) "Owner."

(B) Nonstatutory definitions:

(1) "Cropping and land use pattern" - The typical sequence or distribution of major field crops and uses with the proportion of each crop or use expressed as a decimal fraction of the total acreage being farmed.

(2) "Current agricultural use value of land" - The current agricultural use value of land devoted exclusively to agricultural use of a parcel is the current market value or fair market value of the land considering only those factors that affect the parcel's value from an agricultural standpoint. It is the price at which the property would change hands on the open market between a willing buyer and seller, neither being under any compulsion to buy or sell, and both having knowledge of all relevant facts, if the highest and best use was exclusively agricultural with no other influence being present. Usually this value will be highly dependent on the soil productivity of the parcel.



- (3) "Depreciation or appreciation rate" - The total per cent of decrease or increase in value that a prudent investor would expect to receive when the investor disposes of a given investment after a period of years.
- (4) "Drainage profile group" - Soils that occur on similar topography and have similar internal drainage.
- (5) "Effective tax rate" - The real property tax rate, after the reductions under section 319.301 of the Revised Code, expressed as per cent of actual true, market, or current agricultural use value rather than the statutory rate expressed as mills on tax value.
- (6) "Equity yield" - The annual rate of return an investor would expect on the investment above any liens or mortgages.
- (7) "Grid" - A cross sectional transparent scale that may be used to measure areas on a map, etc.
- (8) "Land capability class" - A system of classifying land according to physical limitations arising from slope, drainage and erosion characteristics of the soil used by the U.S.D.A. soil conservation service. The classes are designated by Roman numerals from I through VIII with progressive greater limitations and narrower choices for practical use as the number increases. Classes I through IV are suitable for general field crops. Classes V through VIII are limited to pasture, forest land or wildlife.
- (9) "Land residual technique" - A technique in which the improvements are valued independently of the land and the annual net return on the improvements is deducted from the anticipated net annual income to the total property. The residual net income is attributed to the land and is capitalized to indicate the land value.
- (10) "Lots" - See "Tracts, lots or parcels."
- (11) "Mortgage equity method of capitalization" - A method of capitalizing income that gives weight to typical mortgage and equity financing terms for similar properties in arriving at an estimate of value.



- (12) Moving average" - Average of an item for given period of years that is recalculated each year after dropping the oldest year and adding the latest year.
- (13) "Nonland production costs" - Those costs, including management, of producing agricultural products which do not include any expense or charge for the use of the land.
- (14) "Parcels" - See "Tracts, lots or parcels."
- (15) "Permanent pasture" - Land capability classes V through VII that does not meet the definition of woodland and is greater than five acres in size. In land capability classes I through IV land that due to soil limitations, such as gullied, severe erosion, stony outcropping, etc., is not suitable to open cultivation and does not meet the definition for woodland shall be classified as permanent pasture.
- (16) "Planimeter" - A mechanical device used to measure areas on a map.
- (17) "Projection period" - The period of years over which an investment is held before being resold or refinanced.
- (18) "Soil management group" - A group of soils with similar properties and crop yields.
- (19) "Soil mapping symbol" - Letter or numerical symbol used to identify a soil mapping unit on a soil map.
- (20) "Soil mapping unit" - Areas of a soil type or types delineated on a soil map.
- (21) "Soil region" - A region or area where the soils have formed from similar parent materials under similar conditions.
- (22) "Soil series" - Soil on one parent material representing one drainage profile.
- (23) "Soil survey" - A written report with a soil map, describing the soils surveyed together with information on the characteristics and capabilities of the soils. Available from the division of lands and soil, Ohio department of natural resources or U.S.D.A. conservation service.



(24) "Soil type" - A soil which throughout its full extent has relative uniform texture.

(25) "Tracts, lots or parcels" - Tracts, lots or parcels shall mean all distinct portions or pieces of land (not necessarily contiguous) where the title is held by one owner, as listed on the tax list and duplicate of the county, which are actively farmed as a unit if together the total acreage meets the requirements of division (A)(1) or (A)(2) section 5713.30 of the Revised Code. The terms "tracts," "lots" or "parcels" may be used interchangeably.

(26) "Woodland" - Land that has at least twenty-five per cent shade cover from forest trees. Land that has previously met this definition but currently does not, due to 'clear cutting,' etc., and that has not been developed for other uses shall continue to be classified as woodland. Forest trees are woody plants that have a well developed stem and usually more than twelve feet in height at maturity. The area must be five acres or more in size. Land that has been planted to forest species shall also be included in this definition.