

SHACKELFORD COUNTY APPRaisal DISTRICT

BEEKEEPING DEGREES OF INTENSITY

Beekeeping is an agricultural use and shall qualify for agricultural valuation if used for pollination or for the production of human food or other tangible products having a **commercial value**, provided that the land used is not less than 5 or more than 20 acres (*Tax Code Section 23.51(2)*).

The minimum degree of intensity was established using *Section 131.001* Texas Agriculture Code's definition of an apiary, which is a place where six or more colonies of bees or nuclei of bees are kept. A colony is the hive and its equipment and appurtenances including bees, comb, honey, pollen, and brood.

For each additional two (2) acres, one additional colony is required. For example, if a property owner has fifteen acres of land used for beekeeping, eleven colony would be needed to qualify.

First 5 acres 6 colonies

Additional 10 acres 5 colonies

Total Colonies required 11 colonies

When property owners initially qualify for agricultural value, they must show proof of history for agricultural use for any of the five preceding seven years. One way to do this is to provide export, import or intra-state permits, which are required by the Texas Apiary Inspection Service to transport colonies. Historic financial records indicating active home production and or leases could be utilized.

Typically, **1** acre is held out for homesteaded properties. This reduces the available acres for agricultural valuation. If you own 5 acres and have a homestead on the property you will need **1** additional acre for a total of 6 acres to qualify for the lower end of the 5 acres needed for Bee Keeping. SCAD does not currently allow multiple owners to join to meet the 5-acre minimum. Each owner must meet the 5 acres minimum on their own.

BEES MUST BE MAINTAINED ON THE PROPERTY AT THE MINIMUM STOCKING RATE FOR NO LESS THAN 7 MONTHS OUT OF 12. Each year in March, you will need to provide proof of income produced by the bees as follows:

Using the basic income/rate/value (IRV) formula for developing an income approach to value, we developed a productivity value for beekeeping.

In Texas it is estimated that an established hive will produce an average of 60 pounds of honey per year. SCAD estimates an average of \$60.00 per hive per year for expenses. The average wholesale price for honey is \$2.10 per pound.

The following is Shackelford County Appraisal District's calculation.

The productivity value is applied on a per-acre basis. Therefore, the following formula is used:

Total Income Per Hive: $60.00 \text{ lbs} \times \$2.10 = \$126.00$

Total Expenses per Hive per year: \$60.00

Net Operating Income: $\$126.00 - \$60.00 = \$66.00$

Productivity per Hive: $\$66.00 / .10 \text{ crate rate} = \660.00

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[Ag Valuation - Texas Beekeeping](#)