

Rollback taxes: If property in agricultural use is applied to another use, the property is subject to "rollback taxes" in an amount equal to the difference between the taxes paid on the basis of agricultural valuation and the taxes that would have been paid had the property been assessed as other real property in the year of the change and each of the five immediately preceding years. (Sec. 12-43-220(d)(3))

Rollback Tax Estimation Formula

1. Find the **Market Value** of the agricultural land that changed use.
2. Find the **Gross Assessed Value** of the agricultural land. Multiply the agricultural **Market Value** X **.06**.
3. Find the current **Net Assessed Value (Taxable Assessed Value)** of subject property.
4. Compute the difference of Line 2 & Line 3.
5. Multiply this difference by the millage rate, for each tax year being rolled back on.

Note: Rollback tax estimates should be computed for five (5) years. Start with year property was split or changed use, and work backward five (5) years.