

APPLICATION FOR FARMLAND ASSESSMENT

N.J.S.A. 54:4-23.1 et seq.; N.J.A.C. 18:15-1.1 et seq. **SEE INSTRUCTIONS**

FILE ANNUALLY BY AUGUST 1 OF THE PRE-TAX YEAR

COUNTY _____ MUNICIPALITY _____ TAX YEAR _____

Check if ALL farmland assessed acres are woodlands under a: Woodland Management Plan
 NJ Forest Stewardship Plan (Effective 2019)
(DO NOT CHECK IF MIX USE)

SECTION 1 – IDENTIFICATION INFORMATION (Please print or type all information)

- (1) Owner's Name _____ (9) Farm operator(s) other than owner:
 (a1) Name _____
- (2) Mailing Address _____ (b1) Address _____
- _____
- (3) Telephone _____ (c1) Telephone (____) _____
- (4) Email Address _____ (a2) Name _____
- (5) Land Location _____ (b2) Address _____
- (6) Block(s), Lot(s), Qual. No. _____
- _____
- (7) The land is farmed solely by owner (c2) Telephone _____
 rented to farmer
 farmed by owner and tenant
- (8) Is farm deed restricted to agriculture?
 Yes No # of Acres _____

SECTION 2 – BREAKDOWN OF LAND USE CLASSES (All entries and totals must be accurate)

Insert the current year's acreage in the appropriate land use class. Indicate acres to the nearest 100th– DO NOT USE DIMENSIONS

REFER TO DEFINITIONS OF LAND USE CLASSES UNDER *INSTRUCTIONS*

<u>ACTIVELY DEVOTED LAND</u>	<u>Acreage</u>	<u>LAND NOT ACTIVELY DEVOTED</u>	<u>Acreage</u>
(1) Cropland harvested	(1) _____	(9) Land under and land used in connection with farmhouse.	(9) _____
(2) Cropland pastured <i>(Don't include acreage in #6)</i>	(2) _____	(10) All other land not devoted to agricultural / horticultural use	(10) _____
(3) Permanent pasture	(3) _____	(11) Total <u>NOT</u> devoted to agricultural or horticultural use (Sum of lines 9 & 10)	(11) _____
(4) Non-appurtenant woodland (See instructions before making entry)	(4) _____	(12) TOTAL ACREAGE OF ALL LAND (Sum of lines 8 & 11)	(12) _____
(5) Appurtenant woodland or wetland (See instructions before making entry)	(5) _____	*If fewer than five acres are located in this municipality, list the municipality, block(s) & lot(s) of contiguous acreage	_____
(6) Acres used for: <i>(don't include pastured acres)</i> (a) <u>boarding</u> (b) <u>rehabilitating</u> (c) <u>training</u>	(6) _____ Total a, b & c	(13) Is there a claim for land under: • Seasonal farm markets? Yes _____ No _____ • Seasonal agricultural labor housing? Yes _____ No _____	
(7) Acres used for renewable energy	(7) _____	(14) Is there a claim for land under: • solar _____ wind _____ biomass _____	
(8) Total ACRES to Agricultural OR Horticultural use (Sum of lines 1 to 7)	(8) _____		

INSTRUCTIONS Farmland Assessment Act of 1964

(N.J.S.A. 54:4-23.1 et seq.; N.J.A.C. 18:15-1.1 et seq.)

APPLICATION

Farmland Assessment, form FA-1, in duplicate and the Supplemental Farmland Assessment Gross Sales Form, FA-1 G.S., should be filed with the municipal assessor on or before August 1 of the pretax year – which is the year immediately preceding the tax year for each farm comprised of contiguous land. If an entry is made in Section 2, line 4, Woodland Data form WD-1 must also be filed with the FA-1 application and Supplemental FA-1 Gross Sales form. **Only one FA-1, FA-1 G.S. should be filed for each farm comprised of contiguous land. Late or incomplete applications will be denied.** At the assessor's request, applicants must provide proofs of eligibility as to ownership, land area, farming activity, and gross sales. Lands in Farmland Preservation Programs must still meet criteria and filing prerequisites of the Farmland Assessment Act to receive preferential reduced assessment.

Filing Extension

Assessors may grant an extension of time for filing an application, but no later than September 1 of the year immediately preceding the tax year, for an applicant who has filed for an extension with the Farmland Assessment Application Filing Deadline Extension Form, form FA-X, if the assessor is satisfied that failure to file by August 1 was due to (1) the owner's illness and a physician's certificate stating that the owner was physically incapacitated and unable to file by August 1 and the FA-1 and FA-1 G.S. forms are filed with the assessor; or (2) the death of the owner or the owner's immediate family member and a certified copy of the death certificate and the FA-1/ FA-1 G.S. forms are filed with the assessor by the owner or by the executor/executrix of the owner's estate. *Immediate family member* means an owner's spouse, child, parent or sibling residing in the same household. (N.J.S.A. 54:4-23.6d.)

QUALIFICATIONS

Farmland assessment means valuation, assessment and taxation under the Farmland Assessment Act. Land may be eligible for *farmland assessment* when it meets the following:

- The land has been actively devoted to agricultural or horticultural use for at least 2 successive years immediately preceding the tax year for which *farmland assessment* is requested. (N.J.S.A. 54:4-23.6.)
- The land area actively devoted to agricultural or horticultural use is not less than 5 acres, exclusive of the land upon which the farmhouse is located and such additional land actually used in connection with the farmhouse.
- Gross sales, fees, or payments average at least \$1000 annually on the first 5 acres, except for lands under a Woodland Management Plan where gross sales remain at \$500 for the first 5 acres, and average \$5 per acre on all acreage above 5 acres, except \$0.50 per acre on woodland & wetland above 5 acres. For woodlands and wetlands under a NJ Forest Stewardship Plan, no income need be generated, but the prescriptions of the plan must have been followed. (N.J.S.A. 54:4-23.5.)
- Application by the owner is filed on or before August 1 of the year immediately preceding the tax year. (N.J.S.A. 54:4-23.6.)
- If farm management unit is less than 7 acres, a descriptive narrative of agricultural/horticultural uses, a sketch of their location, and number of acres devoted is required.

SECTION 1-IDENTIFICATION INFORMATION - Complete items 1 through 9.

Item 1, *Owners' Names*- List every individual, partnership or corporation having an ownership interest in the land.

Item 6, *Block(s), Lot(s), and Qual. No.* - List block(s) and lot(s) comprising a farm unit of contiguous land from your tax bill; official tax map; or page(s) and line(s) from the current year's assessment list.

SECTION 2-BREAKDOWN OF LAND USE CLASSES - Complete items 1 through 14.

Item 1, **Cropland harvested** is land from which a crop is harvested in the current year. It is the heart of a farming enterprise and represents the highest use of land in agriculture.

Item 2, **Cropland pastured** is land which can be used to produce crops but its maximum income may not be realized in a particular year.

Item 3, **Permanent pasture** is land which is not cultivated because its maximum economic potential is realized from grazing or as part of erosion control programs. Animals may or may not be part of this farm operation.

Item 4, **Non-appurtenant woodland** is woodland devoted exclusively as sustainable forestlands or to the production for sale of trees and forest products, except for Christmas trees which are Item 1, Cropland Harvested. Woodland which is not "supported and subordinate" to land in classes 1, 2, or 3 should be item 4. Owners of class 4 woodland must submit a Woodland Management Plan or Forest Stewardship Plan, scaled map of woodland activity & soil group classes, and other information. (N.J.A.C. 18:15-2.7.)

Item 5, **Appurtenant woodland** is woodland which is not devoted to production for sale of trees and forest products, but can be eligible for farmland assessment by being contiguous to, part of, supportive and subordinate to, or "beneficial to a tract of land" which is 5 acres or more and otherwise actively devoted qualified farmland (Items 1, 2, or 3). Woodland acreage less than the otherwise actively devoted qualified farmland acreage (Items 1, 2, or 3) may be considered "appurtenant woodland". Woodland acreage exceeding the otherwise actively devoted farmland may be *appurtenant woodland* when proof of its benefit to otherwise actively devoted farmland can be substantiated to the assessor. (N.J.A.C. 18:15-1.1.)

Item 6, **Acres used for boarding, rehabilitating or (livestock) training** to be actively devoted to agricultural use must be contiguous to land which otherwise qualifies for farmland assessment.

Item 7, **Acres used for renewable energy** is solar, wind, or biomass energy generation 10 acres or less in area generating no more than 2 megawatts of power. The ratio of acreage devoted to renewable energy generation facilities, structures, and equipment vs. agricultural/horticultural operations cannot exceed 1 part to 5 parts. (N.J.S.A. 54:4-23.3c.) Also, fill out item 14 for type of renewable energy generated.

Item 9, **Land under and land used in connection with farmhouse** is land on which a farmhouse is located, together with land area devoted to lawns, flower gardens, shrubs, swimming pools, tennis courts, etc. and used with the farmhouse for its enjoyment. This land is not in agricultural or horticultural use and is assessed and taxed at true value standards. (N.J.S.A. 54:4-23.11.)

Item 10, **All other land not devoted to agricultural or horticultural use** is land other than used in connection with the farmhouse that is not devoted to an agricultural or horticultural use nor is it necessary to support land actively devoted to an agricultural or horticultural use. This land will be assessed and taxed in accordance with true value standards.

Item 13, enter "YES" or "NO."

Certain land uses shall be in the categories below:

APPURTENANT WOODLAND	CROPLAND HARVESTED		NON-APPURTENANT WOODLAND
Swampland, Wetland	Land under farm buildings	Nurseries, Christmas Trees	Wood and forest products
Lakes, Ponds, Stream	Land in government programs	Crops grown under glass	Forest Stewardship
Irrigation Ditches	Agricultural labor housing	Renewable energy	Forested Wetlands
	Seasonal Farm Markets		

SECTION 3-CURRENT YEAR FARMING ACTIVITY

Insert the current year acreage or other specified information.

SECTION 4-SIGNATURE AND VERIFICATION OF OWNER(S)

For non-corporate multiple ownership, one owner is presumed to have authority and may sign on behalf of the other co-owners. In the case of a corporate owner or co-owners, the full name of the corporation must be provided, accompanied by the signature and the title of the corporate officer authorized to sign the application in its behalf.

OWNERSHIP

Must be single ownership: that is, a unified title meaning common ownership by one distinct legal entity of one or more contiguous parcels together.

ACTIVELY DEVOTED & GROSS SALES

Land of at least 5 acres is actively devoted to agricultural or horticultural use when gross sales of agricultural/horticultural products produced thereon, payments received under Federal soil conservation programs, fees received for breeding, raising or grazing livestock, income imputed to grazing land as determined by the State Farmland Evaluation Committee, and fees received for boarding, rehabilitating or training livestock where the land under the boarding, rehabilitating or training facilities is contiguous to land otherwise qualified for farmland assessment, averaged at least **\$1000 in the previous two years**, or there is clear evidence of anticipated yearly gross sales and payments of at least **\$1000** within a reasonable time period. Also where the land is more than five acres, gross sales must average \$5 per acre for each acre over five. However, in the case of woodland/wetland subject to a Woodland Management Plan, the gross sales required remains at \$500 for the first five acres and \$.50 per acre for any acreage over five. Woodland/wetland subject to a Forest Stewardship Plan need not produce income, but the prescriptions of the plan must be followed. Rents paid to owners by tenant farmers **do not** constitute gross sales. Generated energy from any source is **not** an agricultural or horticultural product and any power or heat sold from biomass, solar, or wind energy generation is **not** income for valuation, assessment and taxation of land pursuant to the Farmland Assessment Act of 1964. The Supplemental FA-1 Gross Sales Form must be submitted with each FA-1 application.

CHANGE IN USE-ROLLBACK TAXES

- When land in agricultural /horticultural use and valued under the Farmland Assessment Act, is put to a use other than agricultural/ horticultural, it is subject to additional taxes, known as roll-back taxes, in an amount equal to the difference between the taxes paid/payable under Farmland Assessment and the taxes which would have been paid /payable had the land been valued, assessed and taxed as other land in the taxing district.
- The roll-back taxes shall be applied in the year in which the change takes place and in such of the 2 tax years, immediately preceding, if the land was valued, assessed and taxed under the Farmland Assessment Act. (N.J.S.A. 54:4-23.8.)

ADDITIONAL REQUIREMENTS FOR NON-APPURTENANT WOODLANDS N.J.A.C. 18:15-2.7

- The owner of land which is devoted exclusively as sustainable forestland or to the production for sale of trees and forest products other than Christmas trees or the owner of woodland which is not supportive and subordinate woodland shall annually submit to the assessor, in addition to a completed and timely filed application for farmland assessment (form FA-1), the following:
 - A scaled map of the land showing the location of woodland activity in the pre-tax year; and
 - A completed Woodland Data form (WD-1) approved by a State Forester.

A copy of a woodland management plan prepared in accordance with provisions noted under N.J.A.C. 18:15-2.10 or NJ Forest Stewardship plan prepared in accordance with the provisions of N.J.A.C. 7:3-5 should be submitted if not previously submitted or if there has been a change to the contents of the plan. If already submitted and not amended, applicant does not need to resubmit a copy of the woodland management plan or forest stewardship plan.
- Address the applicable requirements of the Freshwater Wetlands Protection Act rules (N.J.A.C. 7:7A) and the Flood Hazard Area Control Act rules (N.J.A.C. 7:13). Specifically, see N.J.A.C. 7:7A-2.8 for an exemption for certain forestry management activities in freshwater wetlands and N.J.A.C. 7:13-7.26 for a permit-by-rule for certain forestry maintenance activities within flood hazard areas and riparian zones.

DEFINITIONS

Agricultural Use Land is considered to be in agricultural use when devoted to the production for sale of plants and animals useful to man, including but not limited to: forages and sod crops • grains and feed crops • dairy animals and dairy products • poultry and poultry products • livestock, including beef cattle, sheep, swine, horses, ponies, mules, goats, or aquatic organisms, except that *livestock* shall not include dogs, and the breeding, boarding, raising, rehabilitating, training or grazing of any or all of such animals • bees and apiary products • fur animals • trees and forest products • when devoted as sustainable forestland • or when devoted to and meeting the requirements and qualifications for payments or other compensation pursuant to a soil conservation program under an agreement with an agency of the federal government. See N.J.A.C. 18:15-2.7 for additional conditions imposed on non-appurtenant woodland. (N.J.S.A. 54:4-23.3.)

Horticultural Use Land is considered to be in horticultural use when devoted to the production for sale of fruits of all kinds, including grapes, nuts and berries • vegetables • nursery, floral ornamental and greenhouse products • or when devoted to and meeting the requirements and qualifications for payments or other compensation pursuant to a soil conservation program under an agreement with an agency of the federal government. (N.J.S.A. 54:4-23.4.)

Beneficial to a tract of land means land which enhances the use and viability of other qualifying land devoted to agricultural or horticultural production by providing benefits such as, but not limited to, windbreaks, watershed, buffers, soil erosion control.

Supportive and subordinate woodland means a wooded piece of property which is beneficial to or reasonably required for the purpose of maintaining the agricultural or horticultural uses of a tract of land, which tract of land has a minimum area of at least five acres devoted to agricultural or horticultural uses other than to the production for sale of trees and forest products, exclusive of Christmas trees.

Helpful Links: New Jersey Department of Agriculture <https://www.nj.gov/agriculture/home/farmers/>
 New Jersey Department of Environmental Protection, N.J. Forest Service <https://www.nj.gov/dep/parksandforests/forest/privatelands/landownerprograms.html>
 New Jersey Division of Taxation <https://nj.gov/treasury/taxation/lpt/lpt-farmland.shtml>