

Farmland Preservation Program Fact Sheet: Conservation Compliance Requirements 2010 and Beyond

For farmers with farmland preservation agreements signed prior to July 1, 2009

- If you are claiming tax credits under a farmland preservation agreement signed prior to July 1, 2009, you must comply with conservation compliance standards included in your agreement. You do not have to meet conservation standards not listed in your agreement.
- To claim the higher credit of five dollar per acre, you may amend your existing agreement only if the acres covered by the agreement are “part of farm” that is in compliance with full set of state agriculture performance standards incorporated into ATCP 50 at the time the agreement is amended. The following requirements also apply:
 - The first year you claim a credit at the higher tax rate, you must include with your tax return a certificate of compliance with state performance standards issued by your county.
 - Your county will issue the certificate only if you have achieved compliance with the state standards on your farm, even if you are not claiming credits for all of the acres on your farm.
 - You must be actually in compliance, and cannot be treated as in compliance based on commitment to enter into a schedule of compliance.
- Each year you claim a credit, you must certify to the Department of Revenue, on your tax claim forms, that you are in compliance (requirement first applies to claims filed in 2011 for the 2010 tax year).
- You may claim a tax credit under your agreement until the agreement expires. You cannot sign a new agreement after its expiration unless your farm is located in an agricultural enterprise area. However, you may continue to collect a credit if your farm is located in an exclusive agricultural zoning district. In either case, you will need to comply with all of the performance standards incorporated into ATCP 50.
- Your county is required to monitor whether your farm (which includes the acres for which you are claiming a credit) meets state conservation standards. Counties will develop their own procedures and schedules for monitoring, but they must inspect your farm at least once every four years.
- Your county may suspend your eligibility for tax credits if you are found out of compliance with state performance standards. Before issuing a notice of non-compliance, suspending your eligibility for tax credits, your county will use its best judgment to evaluate options for you to come into compliance, and will look at all of the surrounding circumstances in reaching its decision.