NEWS RELEASE

Wisconsin Department of Agriculture, Trade & Consumer Protection datcp.wisconsin.gov

Claiming Farmland Preservation Tax Credits in Agricultural Enterprise Areas

Date: April 19, 2011

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As the deadline closes for filing 2010 income taxes, farmers in select areas of Wisconsin can start preparing to claim a new farmland preservation tax credit for the 2011 tax year.

Eligible landowners with land in one of the state's 12 designated Agricultural Enterprise Areas (AEA) can sign a farmland preservation agreement to claim a credit on their income taxes equal to either $5/acre/year or $10/acre/year (if the land is also covered by farmland preservation zoning).

Portions of the Towns of Ashippun and Oconomowoc are within a designated AEA. To view a map of the AEAs to determine if your land is eligible, visit the AEA website:

http://datcp.wi.gov/Environment/Working_Lands_Initiative/AEA/index.aspx

or contact Coreen Fallat at *coreen.fallat@wi.gov*; 608-224-4625.

My land is in one of the designated AEAs. What do I have to do to claim the income tax credit?
In order to be eligible to claim the $5/acre or $10/acre credit, landowners must enter into a farmland preservation agreement with the state.

A farmland preservation agreement is a voluntary agreement between the Wisconsin Department of Agriculture, Trade and Consumer Protection (DATCP) and a farm owner.

Under the agreement, the farm owner agrees to preserve land for agricultural use for 15 years and comply with state soil and water conservation standards. In return, the farm owner may claim state farmland preservation tax credits on the covered land. The covered land is also exempt from special assessments for sanitary sewers and water. A farmland preservation agreement runs with the land and is binding on subsequent owners of the covered land for the term of the agreement.

How do we apply for a farmland preservation agreement?
To enter into a farmland preservation agreement, a landowner must complete the farmland preservation application form. Once completed, the form is submitted to the county clerk of the county in which the land is located. The county reviews the application and submits it to DATCP for processing.

The application form and instructions are available on the DATCP website or by contacting Sandy Weisensel at *sandy.weisensel@wi.gov* or 608-224-4633.

What is the deadline to submit an application for a farmland preservation agreement?
In order to ensure adequate time to complete the agreement application and get the required signatures, landowners should plan to file agreement applications with the county clerk by June 30, 2011.

The county will verify application completeness and submit the application to the state Department of Agriculture, Trade and Consumer Protection (DATCP) for agreement processing. Complete agreements signed by the landowner and DATCP after January 1, 2011, but prior to December 31, 2011, are eligible for the tax year 2011 farmland preservation tax credits paid on tax returns submitted early in 2012. ###