

Farmland Assessment Overview

July, 2015



New Jersey Department of Agriculture

What is Farmland Assessment?

The New Jersey Farmland Assessment Act of 1964 permits farmland and woodland acres that are actively devoted to an agricultural or horticultural use to be assessed at their productivity value.

The Act does not apply to buildings of any kind, or to the land associated with the farmhouse. Buildings and home sites on farms are assessed like all other non-farm property. When and if the land qualified under the Act changes to a non-agricultural or non-horticultural use, it is subject to a rollback tax.

Minimum Eligibility Requirements for Farmland Assessment:

1. Applicant must own the land.
2. Owner must annually apply for Farmland Assessment on Form FA-1 with the municipal tax assessor on or before August 1 of the year immediately preceding the tax year.
3. Land must be devoted to agricultural and/or horticultural uses for at least two years prior to the tax year the applicant is applying for.
4. Land must consist of at least 5 contiguous (adjoining) acres being farmed and/or under a woodland management plan. Land under and adjoining the farmhouse is not counted in the 5-acre minimum area needed to qualify.
5. Gross sales of products from the land must average at least \$1,000 per year for the first 5 acres, plus an average of \$5 per acre for each acre over 5, except in the case of woodland or wetland where the income requirement is \$500 per year for the first 5 acres plus \$.50 per acre for any acreage over 5; or there is clear evidence of anticipated yearly gross sales, payments, or fees within a reasonable period of time dependent on the agricultural or horticultural products being produced.
6. Owner must represent that the land will continue in agricultural or horticultural use to the end of the tax year.

Note: There are additional requirements for the boarding, training, or rehabilitation of livestock and woodlands under a woodland management plan.

Additional Land Requirements:

To be eligible for Farmland Assessment, land actively devoted to an agricultural or horticultural use must have not less than 5 acres devoted to the production of crops; livestock or their products; and/or forest products under a woodland management plan.



In determining the area of such land, all the land under barns, sheds, seasonal farm markets selling predominantly agriculture products, seasonal agriculture labor housing, silos, cribs, greenhouses and like structures, lakes, dams, ponds, streams, irrigations ditches and like facilities are included (provided their use is related to agriculture or horticulture). Also included is appurtenant woodland acreage that is equal to or less than the acreage in cropland and pastureland.

Ineligible land area is land under the farmhouse and additional land used in connection with the farmhouse, including, but not limited to, land used for lawns, flower gardens, shrubs, recreation and for like purposes. This land is excluded in determining the qualified area.

Where individual parcels of land in agriculture or horticultural use under single ownership are located in the same taxing district, compliance with the five-acre minimum area eligibility requirement is considered to have been met if the individual parcels are contiguous (adjoining) and the total eligible area is at least five acres.

Land under single ownership, separated by a public right of way, is considered to be contiguous. Where contiguous land in agricultural or horticultural use in single ownership, is located in more than one taxing district, compliance with the five-acre minimum area requirement is determined on the basis of the total eligible area of such land and not the area which is located in a particular taxing district (an application must be filed in each respective taxing district).

Where separate, noncontiguous (non-adjointing) parcels of land in agricultural or horticultural use, in a single ownership, are located in the same taxing district, a separate application for Farmland Assessment must be made with respect to each parcel. Each separate parcel must individually meet the qualifications of the Program, i.e. 5 acre minimum land area, gross sales, etc.



“Devoted to agricultural or horticultural use” means:

1. Land under and used with barns, sheds, packing houses, farm storage facilities, seasonal farm markets selling predominantly agricultural products, seasonal agricultural labor housing, silos, cribs, and like structures when used in direct support of the producing crops for sale;
2. Land that consists of lakes, ponds, streams, stream buffer areas, hedgerows, wetlands, and/or irrigation ponds that are supportive and subordinate or reasonably required for the purpose of maintaining 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;
3. Land on which crops are produced, harvested, and sold, either at retail or wholesale;
4. Land on which cover crops are grown as part of a regular crop rotation program;
5. Land on which poultry are housed or ranged, but if ranged, the land must be enclosed by a fence sufficient to retain such animals;
6. Land on which crops are grown for on-farm use, but not including land that is used to produce crops only for personal consumption;
7. Land kept fallow during a growing season using

cultivation or chemical control to eradicate or reduce weeds for future agricultural or horticultural production;

8. Land on which farm animals may be maintained, pastured, or ranged whose products or the animals themselves are produced for market, either retail or wholesale;
9. Land enrolled in a soil conservation program administered by an agency of the Federal government that meets the annual maintenance requirements for future agricultural or horticultural production or an equivalent program such as the Conservation Reserve Program, Wetlands Reserve Program and Conservation Reserve Enhancement Program;
10. Land on which trees and forest products are produced for sale within a reasonable period of time and such land is managed in compliance with a written woodland management plan approved by the State Forester;
11. Land on which livestock is boarded, raised, pastured, rehabilitated, trained, or grazed, and enclosed by a fence sufficient to retain

such animals that are themselves or their products sold, except that "livestock" shall not include dogs;

12. Land that is used for boarding, rehabilitating, or training livestock for a fee (not including acres pastured) where the livestock is owned by a party or parties other than the property owner(s), and the land is contiguous to five or more acres that otherwise qualify for valuation, assessment, and taxation under the Act;
13. Land that is supportive and subordinate woodland or wetlands and that is contiguous to, part of, or beneficial to land that is cropland harvested, cropland pastured, or permanent pasture;
14. Land that has limited farming or grazing potential, is managed in an erosion-control program, and is supportive and subordinate or reasonably required for agricultural or horticultural production of land that has a minimum of five acres classified as cropland harvested, cropland pastured, or permanent pasture;
15. Greenhouses or poultry or livestock facilities in which

animals or their products are sold; or

16. Land used for biomass, solar, or wind energy generation shall be considered land actively devoted to agricultural or horticultural

use as long as it meets the qualifications set forth in N.J.A.C. 18:15-6.1(d), except that the energy generated from such use shall not be considered an agricultural or horticultural product.

“Actively devoted to agricultural or horticultural use” means:

Land, five acres in area, shall be deemed to be actively devoted to agricultural use when it is used for any of the purposes described in N.J.A.C. 18:15-1.1 (definitions) and 6.2 (above) and:

When the amount of the gross sales of agricultural or horticultural products produced thereon, any payments received under a soil conservation program, fees received for breeding, raising or grazing any livestock, income imputed to



land used for grazing in the amount determined by the State Farmland Evaluation Committee created pursuant to N.J.S.A. 54:4-23.20, and fees received for boarding, rehabilitating or training any livestock where the land under the boarding, rehabilitating or training facilities is contiguous to land which otherwise qualifies for farmland assessment, have averaged at least \$1,000 per year on the first five acres, \$ 5.00 per

acre per year on any additional acres of farmland other than woodland and wetland, and \$ 0.50 per acre per year on any additional acres constituting woodland and wetland during the two-year period immediately preceding the tax year in issue; or

There is clear evidence of anticipated yearly gross sales, payments and fees amounting to at least \$1,000 per year on the first five acres, \$ 5.00 per acre per year on any additional acres of farmland other than woodland and wetland and \$ 0.50 per acre per year on any additional acres constituting woodland and wetland within a reasonable period of time.

The amount of the gross sales, fees, payments, or income imputed to land used for grazing, or payments may be from one or a combination of sources included

in (a) 1 above, except fees for boarding, rehabilitating, or training livestock shall only be included, and the land deemed to be actively devoted to an agricultural use, where such use occurs on land which is contiguous to land under the same ownership, which otherwise qualifies for farmland assessment.

Land used for biomass, solar, or wind energy generation shall be considered land in agricultural or horticultural use and may be eligible for valuation, assessment, and taxation pursuant to P.L. 1964, c. 48 (N.J.S.A. 54:4-23.1 et seq.), provided that:

The property where the energy generation facility is located is part of an operating farm that will continue to operate as a farm in the tax year for which farmland assessment is being applied;

The construction, installation, and operation of the energy generation facility on the land under the facility for which farmland assessment is sought, have received all approvals that may be required by law, where the interconnection is legally permissible, and where the energy generation facility and underlying farmland meet all other requisites for farmland assessment;

In the prior tax year, the acreage used for the biomass, solar, or wind energy generation facilities, structures, and equipment was valued, assessed, and taxed as land in agricultural or horticultural use;

The power or heat generated by the biomass, solar, or wind energy generation facilities, structures, and equipment is used to provide, either directly or indirectly but not necessarily exclusively, power or heat to the farm or agricultural or horticultural operations supporting the viability of the farm;

The owner or operator of the property on which the biomass, solar, or wind energy generation facilities, structures, and equipment has or will be constructed and used, has a conservation plan approved by the soil conservation district, with provisions for compliance with this paragraph where applicable, to account for the aesthetic, impervious coverage, and environmental impacts of the construction, installation, and operation of the biomass, solar, or wind energy generation facilities, structures, and equipment, including, but not necessarily limited to, water recapture and filtration;



Where solar energy generation facilities, structures, and equipment are installed,

the property under the solar panels is used to the greatest extent practicable for the farming of shade crops or other plants capable of being grown under such conditions, or for pasture for grazing;

The amount of acreage devoted to energy generation facilities meets, but does not exceed, a ratio of one-to-five acres or portion thereof. In other words, for each "unit" of land devoted to energy generation, there are at least another five "units" of land devoted to agricultural and/or horticultural operations. The following graph illustrates the ratio in terms of sample acreages:

Acreage Used for Renewable Energy on Farmland Assessment Acreage		
Total Acres	*Maximum acres in Solar/Wind/Biomass	Minimum acres in Agriculture/Horticulture
5.25	0.25	5.00
5.60	0.60	5.00
6.00	1.00	5.00
7.00	1.19	5.81
8.00	1.36	6.64
9.00	1.53	7.47
10.00	1.70	8.30
15.00	2.55	12.45
25.00	4.25	20.75
50.00	8.50	41.50
59.00	10.00	49.00
60.00	10.00	50.00
100.00	10.00	90.00

*Ratio to calculate assessments: 1 part renewable energy to 5 parts of land devoted to agricultural or horticultural operations = 1/6 or .167 rounded to .17.

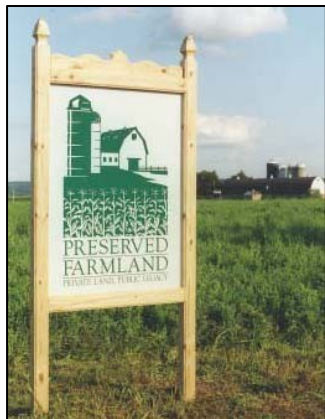
Must have greater than 5 acres to invest in renewable energy sources

Biomass, solar, or wind energy generation facilities, structures, and equipment are constructed or installed on no more than 10 acres of the farmland for which the owner of the property is applying for valuation, assessment, and taxation pursuant to P.L. 1964, c. 48 (N.J.S.A. 54:4-23.1 et seq.), and if power is being generated, no more than two megawatts of power are generated on the 10 acres or less:



For biomass energy generation, the owner of the property has obtained approval from the New Jersey Department of Agriculture pursuant to section 5 of P.L. 2009, c. 213 (N.J.S.A. 4:1C-32.5);

If the energy generation facility is located in the Pinelands region, the construction, installation, and operation of the facility complies with the Comprehensive Management Plan;



If the land is permanently preserved under the State Farmland Preservation Program, the landowner must provide documentation that the project was approved by the State Agriculture Development Committee; and

No generated energy from any source shall be considered an agricultural or horticultural product and no income from any power or heat sold from the biomass, solar, or wind energy generation may be considered income for eligibility for valuation, assessment, and taxation of land pursuant to the Act, and, notwithstanding the provisions of the Act, or any rule promulgated pursuant thereto, to the contrary, there shall be no income requirement for property valued, assessed, and taxed pursuant to (d)2 through 9 above.

Rented Farmland

Land may be rented to another person who actively devotes the land to an agricultural or horticultural use. It is the owner's responsibility to complete an

application annually for farmland assessment. Rent received from a farmer, is not considered the sale of an agricultural or horticultural commodity, and cannot be used to meet the gross sales requirement for Farmland Assessment. Instead, the value of farm products sold from the land is used.

Roll-back Taxes - When the Use of the Land Changes

The Farmland Assessment Act provides for a levy of a roll-back tax when the use of the land changes from an agricultural or horticultural use to another type of use. The roll-back tax attaches to the land when a change in use occurs, not when a change in ownership takes place, if the new owner continues to devote the land to a qualified agricultural or horticultural use. The roll-back tax is applied to the land for the tax year in which the change in use occurs and the two tax years immediately preceding that year. However, rollback taxes are levied only for the years during which the land was assessed under the Act.

Recent changes to the Farmland Assessment Program:

In April, 2013, the Farmland Assessment Act was amended by law. The changes were effective immediately, but are applicable to tax years commencing with tax year 2015.

The Key Changes are:

- The annual \$500 gross sales requirement for the first five acres of land was increased to \$1,000, except for lands that are included in a Woodland Management Plan. The gross sales requirement for these lands remains at \$500 for the first five acres. Proofs of sales must be submitted with each application.
- Within 1 year of the new law, guidelines are to be developed by the New Jersey Department of Agriculture and approved by the Division of Taxation, identifying generally accepted agricultural and horticultural practices to assist in determining whether land may be deemed to be in agricultural use, horticultural use, or actively devoted to agricultural or horticultural use, pursuant to the "Farmland Assessment Act of 1964".
- Where a farm's acreage is less than 7 acres, a descriptive narrative of the agricultural/horticultural uses and a sketch of the location and the number of acres devoted to an agricultural or horticultural use on the farm management unit is required to be submitted with the application.

- As of January 1, 2018, all municipal and county assessors with farmland assessed property in their district are required to complete a continuing education course on farmland assessment at least once every 3 years prior to the renewal of their County Tax Assessor certificate. Courses are to be free of charge and offered at least biennially.
- Civil penalties of up to \$5,000 may be imposed for gross, intentional misrepresentation on applications. Penalties collected are to be used in the administration and enforcement of the provisions of the Farmland Assessment Act of 1964.
- The State Farmland Evaluation Advisory Committee is renamed as the State Farmland Evaluation Committee (FEC) and is authorized to review the minimum Gross Sales amount and adjust it as needed. Increases would not be enforced until the third year following the adoption of the increase. The Committee is to review the application forms every 5 years and make any recommendations to the Director of the Division of Taxation.
- The membership of the FEC is formalized and adds a municipal or county assessor or county tax administrator, and a farmer member of the State Board of Agriculture (current or former member), appointed by the Governor with advice and consent of the Senate, serving a term of 3 years. The Director of the Division of Taxation, the Secretary of Agriculture and the Dean of the College of Agriculture, Rutgers, continue as members of the FEC.
- The Director of the Division of Taxation must include with each application an explanation of any new changes to the Program requirements that occurred in the prior tax year and that will be newly in effect in the tax year for which the application is being submitted.

Examples of Qualifying Criteria

The following examples are offered to assist in understanding the criteria to qualify land for preferential reduction in taxes under the Farmland Assessment Act:

(1) An individual owns 10 acres that includes a 1 acre home site and 9 acres of cropland that is rented to a farmer who grows corn and soybeans. The farmer reports to the landowner that 882 bushels of grain were produced last year that sold for \$2,200. In the current year the farmer has planted soybeans on the 9

acres to be harvested for sale. With 9 acres being farmed last year and this year, sales exceeded the minimum requirement of \$1,020 for the 9 acres, the land will be eligible for farmland assessment in the next tax year provided a timely application is submitted to the municipal tax assessor.

(2) The owner of a 100-acre vegetable farm is completing Form FA-1 to be filed with the municipal tax assessor. 60 acres are planted to crops, the land under the barns, greenhouses and the seasonal labor housing is reported as *cropland harvested*. The 5 acres maintained as grassland adjacent to a stream is reported as *permanent pasture* (even though there are no livestock on the farm), and the 30 acres of woodland/wetland is reported as *appurtenant woodland*. For the land used in connection with the farmhouse the owner reports 1 acre. The remaining 4 acres is used as a commercial site to produce mulch and soil products from materials brought onto the farm is reported as *land not devoted to an agricultural or horticultural use*.



The total land area devoted to a horticultural use is 95 acres.

(3) 5 acres of land are unmanaged but naturally produce wildflowers, berries, herbs, and firewood. The owner sells between \$1,750 and \$1,900 of plant materials and firewood annually from the parcel. The parcel of land is *ineligible* for Farmland Assessment because the land was not in a managed agricultural or horticultural use. The mere haphazard use of land that results in sufficient income to meet the requirements of the Farmland Assessment Act does not necessarily qualify the land for Farmland Assessment.

(4) A 30-acre parcel of land consisting of cropland, a farmhouse, barns and outbuildings is located in the zone of the municipality where the minimum lot size is 3 acres. The landowner uses only a half-acre of land in connection with the farmhouse. The barns on the property are used for agricultural purposes and occupy one-half acre of land. The landowner reports on the Form FA-1 twenty-nine and one-half acres *cropland harvested* and one-half acre for *land used in connection with the farmhouse*. Only the half-acre actually used in connection with the farmhouse is reported on Form FA-1 regardless of the 3 acre zoning requirements.

(5) A landowner raises and sells strawberries on 4 acres of a 9-acre parcel. A house, lawn, and driveway occupy 2 acres. The remaining 3 acres are woods. The landowner claims 3 acres on the FA-1 form as appurtenant woodland, 4 acres as cropland, and enters 7 acres as activity devoted to an agricultural use.

Upon review the tax assessor determines that none of the land meets the eligibility criteria for Farmland Assessment. A minimum of 5 acres must be actively devoted to an agricultural or horticultural use (growing crops, raising livestock or producing forest products). For the land to qualify in the future, a woodland management plan would need to be implemented on the 3 acres of woodland. With the 4 acres of cropland and the 3 acres of non-appurtenant (managed) woodland, 7 acres should qualify for Farmland Assessment.

(6) A woodland management plan and application forms WD-1 and FA-1 are filed with the municipal tax assessor and the New Jersey Department of Environmental Protection for an 85-acre parcel of woodland. Sales from firewood cut from the woodland averaged between \$1,750 and \$1,900 for each of the prior 3 years. The woodland owner occasionally permits the neighboring horse farm to use an established logging road for trail rides in the summer and fall and for cross country skiing in the winter. In this case, forestry is the predominate use of the property including the logging road that permits access to the trees for forestry management. The incidental use of the land for recreation does not make the property ineligible for farmland assessment.



(7) A 20-acre parcel of land is managed under the Conservation Reserve Program of the United States Department of Agriculture Natural Resources Conservation Service and receives an annual payment of \$1,750. The payment meets the minimum income requirement for farmland assessment of \$1,075 (\$1,000 + an average of \$5 for acreage above the first 5). The entire 20 acres are considered actively devoted, as

federal soil conservation payments alone make the land eligible for Farmland Assessment. The landowner reports the USDA program name and agreement number on Form FA-1.

(8) On a 6-acre parcel of land, 5.5-acres produce vegetables that are sold at the seasonal farm stand. The sales of vegetables produced on the parcel exceed the minimum sales requirement for this parcel of \$1,005. A farm stand and parking area occupies one-half acre of ground. In that no less than 5 acres are devoted to a horticultural use (producing crops for sale), the one-half acre utilized by the seasonal farm stand qualifies the entire 6 acres for farmland assessment.

(9) On a 16-acre parcel of woodland 80 beehives are maintained. A gross income in excess of \$4,000 is received annually from farmers in the area for use of the bees in pollinating their crops. Over \$1,155 is also received from the sale of honey. Because the 16 acres is not being managed for honey production, the landowner hires an approved forester to develop a woodland management plan. The woodland management plan will need to be implemented for two full calendar years before being eligible for Farmland Assessment in the third year. For purposes of gross sales criteria income from pollination of crops does not count, only honey sales.



(10) Land Developers, Inc. purchased a parcel of land qualified for farmland assessment. According to a recent article in the local newspaper, Mr. Smith, President of the company, expressed his intention to build a shopping center on the parcel within two to three years. Should rollback taxes be invoked on the property insofar as the land was acquired for the expressed purpose of constructing a shopping center? No. The holding of land for speculation is not a factor to be considered when determining qualification for farmland assessment.

(11) Mr. Miller purchased 20 acres of vacant land in 2006. During 2007 and 2008, he grew soybeans on the 20-acre parcel. Each year he received income from the sale of the crop, which exceeded the sales requirement for farmland assessment. In July 2008, he applied for farmland assessment. The assessor denied the application on the basis that Mr. Miller failed to file an FA-1 in the two, successive, immediately preceding years. The assessor maintained that Mr. Miller should have filed in the two preceding years to establish an official record of two consecutive years of active devotion of the land. Is the assessor's determination correct? The Farmland Assessment Act requires that the land be devoted to an agricultural or horticultural use for at least two successive years immediately preceding the tax year for which farmland assessment is sought. A claimant is not required to file an application to establish a written record of devotion of land with the assessor's office at the time the land is initially devoted. However, an applicant should be prepared to substantiate active devotion of the land for the two-year period immediately prior to the tax year for which farmland assessment is requested. The assessor could request such information as proof. If presented by Mr. Miller, the application should be approved.

Examples of “actively devoted to agricultural or horticultural use”

(1) On a 10-acre parcel of land, six acres are devoted to growing crops and generate annual gross sales of \$ 650.00. The remaining four acres are used for boarding horses and generate annual boarding fees of \$ 8,500. Since the land used for boarding horses is contiguous to land five acres or more otherwise qualifying for farmland assessment, the fees from boarding may be included to meet the minimum gross income requirements and qualify the entire 10-acre parcel.

(2) On a 10-acre parcel of land, 3.5 acres are devoted to growing crops and generate annual gross sales of \$950. The remaining 6.5 acres are used for boarding horses and generate annual boarding fees of \$ 10,500. None of the 6.5 acres is used for grazing horses. The land contiguous to the land used for boarding horses does not otherwise qualify for farmland assessment, both because it is not at least five acres in area and because it does not meet the minimum \$1,000 income requirement for the first five acres. Therefore, the fees from boarding may not be included to meet the minimum gross income requirements, and the entire 10-acre parcel is ineligible for qualification.

(3) On an 8.5-acre parcel of land, .5 acres is used with the house, and three acres are devoted to boarding and training horses, which produces fees of \$ 3,200. The remaining five acres are utilized for grazing the boarded horses at an imputed value of \$140. Income imputed to grazing is determined to be \$700. Since the five acres used for grazing does not have an imputed value for such use of at least \$1,000, it is ineligible for farmland assessment. The three-acre portion used for boarding and training is also ineligible because it is contiguous to land that otherwise qualifies for farmland assessment.



(4) Three horses and a pony are kept by an owner on his land for pleasure riding. The animals pasture on 14 acres, which have an imputed grazing value of \$ 1,624. The imputed grazing value in this county is \$ 116.00 per acre. Although the imputed grazing value exceeds the income requirements for qualification, the land nevertheless would be ineligible for farmland assessment since the livestock are not raised for sale, the livestock do not produce products for sale, and the

grazing is not connected with breeding, raising, boarding, rehabilitating or training activities.

(5) On a 10-acre parcel of land, one acre is used for residential dwelling, three acres are devoted to hay production, four acres are fenced pasture for boarded horses, .5 acres is for the boarding facility, and 1.5 acres is appurtenant



woodland. One hundred twenty-five bales of hay with a value of \$ 3.00 per bale generating \$ 375.00 in value are produced annually and fed to the boarded horses. Income imputed to land for grazing of \$ 111.00 per acre times four acres equals \$ 444.00. As seven acres of land producing \$ 819.00 in income is adjacent to the boarding facility, nine acres qualifies for farmland assessment.

(6) On a seven-acre parcel, five acres are used by a farmer who plants soybeans in June for harvest in November for sale under contract the following July. Two acres are in permanent pasture for erosion control. The landowner needs to verify to the municipal assessor clear evidence of anticipated sales. The landowner upon request from the assessor provides a signed statement that the anticipated yield will be 30 bushels per acre at a contract price of \$ 7.00 per bushel with a total value of production of \$ 1,050 on the five acres. Since the land qualified for farmland assessment the two previous years and a minimum of five acres was in agricultural use with clear evidence of anticipated sales in excess of the \$1,010 needed to qualify, the seven acres will meet the qualification criteria for farmland assessment.

(7) On a six-acre parcel, one-half acre is used as a residence, five acres are fenced for pasturing three boarded horses and one-half acre is used as equine facilities. Upon request from the municipal assessor for proof of agricultural or horticultural production for sale, the landowner provides the names of the owners of the horses and uses the imputed grazing values of \$ 115.00 per acre as provided in the Report of the Farmland Evaluation Committee. Since a minimum of five acres of pasture being utilized by three boarded horses has an imputed grazing value of \$ 575.00, the agricultural income criteria of \$1,000 for farmland assessment have not been met.

(8) A 20-acre parcel is enrolled under the United States Department of Agriculture's Conservation Reserve Program (CRP) and receives an annual rental payment from the Farm Service Agency of \$1,100 per year. A requirement of the program is maintaining the land by mowing it annually. The landowner in

completing the FA-1 application form, which shows the cropland as pastured, however, land enrolled in a federal government program must be categorized as cropland harvested. This 20-acre parcel meets the acreage and sales criteria of \$1,075 for farmland assessment.

(9) A 15-acre parcel is primarily used to grow evergreens for sale as Christmas trees. Eight acres have been planted with evergreens in various stages of growth and harvest. An additional three acres are in cover crop for anticipated planting in the future. The balance of the parcel is appurtenant woodland. The grower practices clear-cutting rotation of Christmas trees as opposed to inter-planting trees after harvest. Using seven-by-seven foot spacing, 888 trees will fit on an acre of land. Harvest will take place starting the seventh year after planting. Proper production practices during the years leading up to harvest will provide clear evidence of anticipated sales. The requirement of a minimum of \$1,000 in sales is cumulative and needs to be a minimum of \$10,000 achieved for the seventh through tenth years to meet the gross income requirement for farmland assessment.

(10) Three goats, 20 chickens and a horse are being kept on a six-acre parcel. One-half acre is used with the residence. The parcel is fenced with five and one-half acres being reported as permanent pasture on the application for farmland assessment. Sales were not documented in the previous year. The municipal assessor determined that due to the lack of proof of sales of agricultural commodities produced from the land, the application for farmland assessment was denied.



(11) A landowner devotes 60 acres to agricultural or horticultural production that qualifies for farmland assessment. He converts 10 of those acres for use as a solar energy facility, which generates no more than two megawatts of power. The landowner is entitled to have all 60 acres receive farmland assessment.

(12) A landowner devotes 120 acres to agricultural or horticultural production which qualifies for farmland assessment. He converts 20 of those acres for use as a solar energy facility. Because the landowner is entitled to have only 10 of the acres used for a solar energy facility under farmland assessment, he no longer qualifies for this assessment on the 20 acres that have been converted to the solar energy facility and these 20 acres are subject to roll-back taxes. The landowner, however, continues to qualify for farmland assessment on the remaining 100 acres.

(13) A landowner devotes 60 acres to agricultural or horticultural production that qualifies for farmland assessment. He converts 10 of those acres for use as a solar energy facility that generates three megawatts of power. None of the 10 acres qualifies for farmland assessment. Only the remaining 50 acres that is in agricultural or horticultural production qualifies for farmland assessment because the two megawatt power limit is exceeded.

Definitions:

"Agricultural use" is land 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 or goats, including the breeding, boarding, raising, rehabilitating, training or grazing of any or all such animals (except "livestock" shall not include dogs); bees and apiary products; fur animals; trees and forest 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.

"Appurtenant woodland" means a wooded piece of property which is contiguous to, part of, or beneficial to 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 the production for sale of trees and forest products, exclusive of Christmas trees, to which tract of land the woodland is supportive and subordinate.

"Aquaculture" means the propagation, rearing and harvesting for sale of aquatic organisms, in controlled or selected environments in which the farmer must actively intervene in the rearing process in order to effect, improve or increase production for the purpose of sale.



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

"Change in Use" means when land valued under the Farmland Assessment Act is applied to a use other than agriculture or horticulture, including being abandoned from farming.

"Fees received for grazing" means only those fees, which are actually paid in consideration for grazing, and which reasonably reflect the value of grazing provided. The income which would otherwise be imputed to land used for grazing as established and determined by the State Farmland Evaluation Committee shall be prima facie evidence of those fees, which reasonably reflect the value of the grazing provided.



"Horticultural use" is land 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.

"Income imputed to land used for grazing" means values for the pasturing of livestock as established by the State Farmland Evaluation Committee.

"Non-appurtenant woodland" is acreage composed of woodland only which qualified for Farmland Assessment by meeting all statutory requirements with respect to income, acreage, years actively devoted to agricultural use, and compliance with an approved woodland management plan.

"Raising livestock" means the management, caring and feeding of livestock for the purpose of producing for sale as a farm product either the livestock themselves or products produced by or from them.

"Seasonal agricultural labor housing" means dwelling units designed solely for lodging farm employees and their family members where such employees are employed to perform seasonal agricultural or horticultural labor on the contiguous land, five acres or more, qualifying for farmland assessment. Any housing, which is either occupied by the landowner, the landowners' spouse, or their children, parents or siblings, or is not vacant annually for a minimum period of 90 continuous days during any period of 12 continuous months shall not be considered to be "seasonal agricultural labor housing."

"Seasonal farm market" means a facility utilized for the primary purpose of selling predominately agricultural or horticultural products, and which is annually closed to business during the off season for a period of not less than 90 continuous days.

"Woodland Management Plan" means a plan prepared in accordance with the criteria set forth in N.J.A.C. 18:15-2.10 and which is required to be filed with the assessor and the commissioner by an owner of woodlands as set forth in N.J.A.C. 18:15-2.7.

