Public Law 2013, Chapter 43 amended the Farmland Assessment Act. Under the law, the Director, Division of Taxation must include with each application an explanation of new changes to program requirements that occurred in the prior tax year and that will affect the year for which the application is filed.

Some key changes under Chapter 43 are:

- **Beginning in Tax Year 2015**, $500 Gross Sales criterion for the first 5 acres is **increased** to $1,000, except for lands under a Woodland Management Plan, then the Gross Sales requirement remains at $500 for the first 5 acres. Proofs of Gross Sales must be submitted w/each application.

- Enclosed are guidelines developed to identify "generally accepted agricultural & horticultural practices" to assist in determining "active devotion" as required to qualify for farmland assessment.

- **Beginning in Tax Year 2015**, where a farm's acreage is less than 7 acres, a descriptive narrative of the agricultural/horticultural uses, a sketch of their location and the number of acres devoted is required to be submitted w/the application.

- As of January 1, 2018, all municipal & county assessors having 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 CTA 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 of The Farmland Assessment Act.

- The State Farmland Evaluation Advisory Committee (FEAC) is renamed the State Farmland Evaluation Committee and is authorized to review the minimum Gross Sales amount and adjust it as needed. Increases would not be enforced until the third tax year following adoption of an increase. Also every 5 years the Committee is to review application forms and make recommendations to the Director, Division of Taxation.

- The FEC Committee membership is formalized and adds a municipal or county assessor or county tax administrator, and a farmer member of the State Board of Agriculture, appointed by the Governor w/advice & consent of the Senate, and serving for a term of 3 years. The Director, Division of Taxation, the Secretary of Agriculture and the Dean of Rutgers Agricultural College continue as Committee members.

Questions regarding the changes to Farmland Assessment under Chapter 43 should be directed to the Local Property Tax office of the Division of Taxation: (609) 292-7974, (609) 292-7813

Guidelines for Generally Accepted Agricultural/Horticultural Practices Under Farmland Assessment

Pursuant to N.J.S.A. 54:23.1 et seq. as amended by Chapter 43, Laws of 2013

The Department of Agriculture has been directed, pursuant to N.J.S.A. 54:4-23.3d, to provide the Division of Taxation in the Department of the Treasury, guidelines that describe generally accepted agricultural and horticultural practices. These guidelines may be used by municipal assessors, county assessors, county tax administrators, and other appropriate local government officials to assist them in determining whether land is actively devoted to agricultural or horticultural use and meeting the requirements for farmland assessment (N.J.A.C. 18:15 et seq.).

These guidelines offer information which is advisory only. They are not intended to be exhaustive or comprehensive. The practices associated with agriculture and horticulture in New Jersey are extraordinarily diverse. The guidelines will not apply to each practice or each plot of land. They are not specifically tailored to each and every possible agricultural or horticultural practice or use. As such and in direct reliance on the plain language of the statute, the practices consistent with these guidelines are practices that fall generally within a range. Because there are a variety of operations with large and small land areas in agricultural or horticultural production throughout the state, the practices that are generally followed and are generally recognized as typical and accepted as agriculture and horticulture must be able to accommodate a broad range of activities.

These resources are dependent upon each specific land area – including but not limited to size, location, topography and the particular crops and livestock involved. The choice and the success of any particular practice or practices depend upon a variety of conditions.

BUILDINGS & STRUCTURES

Generally accepted agricultural/horticultural practices include the use of buildings or structures on the land -- such as barns, sheds, silos, corn cribs – to shelter animals, store harvested crops, or other materials necessary for the raising and caring of animals and the growing and harvesting of crops.

Generally accepted agricultural/horticultural practices include the use of packing houses on the land where the agricultural products grown on the farm are sorted and packaged before being transported to market.

Generally accepted agricultural/horticultural practices include the use of storage buildings on the land to store and shelter farm equipment and related supplies.

Generally accepted agricultural/horticultural practices include the use of seasonal farm markets on the land to sell the agricultural products grown on the farm, typically during the months of March through November.

Generally accepted agricultural/horticultural practices include the use of residences on the land to house seasonal agricultural laborers who work on the farm, typically during the months of February through October.

Generally accepted agricultural/horticultural practices include the use of buildings on the land to process the products grown on the farm and the seasonal retail sale of the processed products in a portion of the building.

Note: The land under the agricultural structures may be farmland assessed. The structures themselves are taxed as any other structure in the taxing district.

SUBORDINATE LAND

The land area where crops and/or plants are grown, animals are kept or other agricultural/horticultural activities take place, may also encompass lakes, ponds, streams, stream buffers, hedgerows, wetlands and irrigation ponds. These areas may have occurred naturally or may have been created to support the agricultural/horticultural use of the land. Typically, these areas provide windbreaks, recharge areas, water storage and soil erosion control functions and is considered appurtenant to the farm.

CROPLAND

Generally accepted agricultural/horticultural practices include growing crops on the land, including but not limited to barley, corn, soybeans, hay and grains.

Generally accepted agricultural/horticultural practices include growing crops on the land, such as hay, field corn, corn silage and hay silage to feed animals on the farm.

Generally accepted agricultural/horticultural practices include growing cover crops on the land, as a part of a regular crop rotation program to maximize the production quality of the soil. Typically, cover crops include, but are not limited to barley, rye and winter wheat. The use of other plant material that helps to control erosion or potentially increase the productivity of the soil is also a generally accepted practice. Typically, cover crops are not harvested.

Generally accepted agricultural/horticultural practices include growing fruit on the land to be harvested, including but not limited to apples, peaches, nectarines, grapes, blueberries and cranberries.

Generally accepted agricultural/horticultural practices include growing vegetables on the land to be harvested, including but not limited to corn, tomatoes (actually, a fruit), peppers, celery, beets, broccoli, potatoes, spinach and squash.

Generally accepted agricultural/horticultural practices include growing herbs on the land to be harvested, including but not limited to basil, cilantro, dill, parsley and sage.

Generally accepted agricultural/horticultural practices include growing mushrooms on the land to be harvested. Typically, this activity occurs in structures utilizing inoculated logs or in managed wooded areas.

Generally accepted agricultural/horticultural practices include keeping the land out of production (fallow) during a growing season using growing techniques or chemical control to remove or minimize weeds or to prepare the land for future agricultural or horticultural use.

NURSERY

Generally accepted agricultural/horticultural practices include growing shrubs, trees, including Christmas trees, plants and flowers on the land, to be sold for landscaping and other decorative purposes. Using the cuttings from trees, shrubs and vines to create wreaths, blankets and other similar items is also generally accepted.

Generally accepted agricultural/horticultural practices include growing trees, shrubs and plants in containers on the land or within a hoop house, greenhouse, high tunnel or other protective structure. Typically, in open land areas and in structures without flooring, a permeable fabric is placed under the containers to minimize weeds and to prevent the tree, shrub or plant from rooting into the soil.

Generally accepted agricultural/horticultural practices include growing sod on the land to be harvested.

BEES - BEEKEEPING

Generally accepted agricultural/horticultural practices include the raising of bees on the land to produce bees and bee products, where the land surrounding the hives is managed in a way to support the productivity of the bees. Typically, the proper location of the hives considers productivity, accessibility, and neighboring residences. Common practices include routine monitoring, managing diseased colonies, developing and implementing a swarm prevention strategy, replacing the queen annually and culling old combs regularly. An adequate supply of water should be provided from March through October (naturally or manmade). Typically, an average of 40 to 50 pounds of honey can be harvested per hive with up to 100 pounds per hive possible if conditions are favorable. In addition to honey, bee products include, but are not limited to wax, bee pollen and honey combs.

VERMICULTURE

Generally accepted agricultural/horticultural practices include growing various earthworms, typically, in elevated trays on the land, as a product for sale. The worm's end-product – worm castings or vermicast – can also be used to create a composting mixture that may be used to increase the productivity of the soil.

POULTRY & LIVESTOCK

Generally accepted agricultural/horticultural practices include housing and/or ranging poultry on the land, including but not limited to chickens, hens, guinea hens, roosters, turkeys, pheasants, ducks and geese. If the poultry is ranged, the land should be enclosed by a fence sufficient to retain such animals for the purpose of producing as a farm product either the poultry themselves or the products produced by or from them.

Generally accepted agricultural/horticultural practices include the managing, caring and feeding of livestock, including but not limited to cattle, sheep, swine, dairy animals, horses, ponies, llama, alpaca, mules or goats on the land, where the farm animals are maintained or pastured and whose products or the animals themselves are produced for market. Typically, the land area includes stables, shelters, lean-tos and/or areas of confinement to provide protection from the elements. Typically, the land area also provides pasture space for the grazing season. The size of the pasture space within the land area depends on several factors including, the grazing patterns of the animals, the rotation plan implemented to maintain pasture quality and whether or not the grazing of the animals is supplemented with hay, grain or some other feedstock. The size of the land area available for different types of animals may also be dependent upon their social behavior. Some animals, horses in particular, may need to be separated from each other for various reasons, including but not limited to, controlling breeding activity and the consideration of territorial issues, such as pecking order.

Generally accepted agricultural/horticultural practices include the raising of large flightless birds on the land, including but not limited to emus, rhea and ostriches, whose products or the animals themselves, are produced for market. If the birds are ranged, the land must be enclosed by a fence sufficient to retain such animals.

Generally accepted agricultural/horticultural practices include the raising of fur animals on the land, including but not limited to rabbits, minks and foxes, whose products or the animals themselves, are produced for market. Fur animals trapped from the wild population that require a trapping license, including, but not limited to muskrats, beavers and raccoons would not qualify for farmland assessment.

Generally accepted agricultural/horticultural practices include the boarding, rehabilitating or training of horses on the land when the land is adjacent to land that otherwise qualifies for farmland assessment.

Generally accepted agricultural/horticultural practices include the raising of exotic livestock on the land, including but not limited to deer, elk and other members of the cervidae family, whose products or the animals themselves, are produced for market.

WOODLAND

Generally accepted agricultural/horticultural practices include growing trees and forest products on the land that are produced for sale within a reasonable period of time, that is managed in compliance with a written woodland management plan approved by the State Forester. The land area includes land that is supportive and related woodland or wetlands and is contiguous to, part of, or beneficial to land that is harvested, pastured, or permanent pasture. If the amount of woodland is less than or equal to the crop or pasture land, it is presumed to be supportive of the crop or pasture land and may be considered to be "appurtenant woodland". Typically, such land does contribute benefits to the farm, such as lumber or fencing for on-farm use, protection from wind and erosion, water conservation or buffer areas from neighbors. If there is more woodland than crop or pasture land, or if the tract is totally wooded, a certified Woodland Management Plan is required. A Plan is also required if the income generated from the woodland is necessary to meet the income eligibility requirement.

Generally accepted agricultural/horticultural practices include growing trees that produce nuts on the land, including but not limited to chestnuts, walnuts and hickory nuts to be harvested.

CONSERVATION PROGRAMS

Generally accepted agricultural/horticultural practices include enrolling land that has limited farming or grazing potential into a soil conservation program administered by an agency of the Federal government, such as the Conservation Reserve Program, Wetlands Reserve Program and Conservation Reserve Enhancement Program.

ENERGY

Generally accepted agricultural/horticultural practices include generating biomass (agricultural crop, residue or by-product), solar, or wind energy on the land to provide power or heat to the farm, if the land is part of an operating farm that will continue to operate as a farm and the amount of energy generated and land area utilized is within specified limits outlined by law.

AQUACULTURE

Generally accepted agricultural/horticultural practices include the growing, rearing and harvesting of aquatic animals and plants on the land, under controlled conditions in which the farmer must actively intervene in the rearing process in order to effect, improve or increase production for the purpose of sale. Typically, aquacultured organisms include, but are not limited to shellfish, food fish, ornamental fish, and plants for food, fuel, ponds and aquariums.

Fee fishing, including catch and release operations, are also considered as an aquaculture activity since the farmer is actively feeding the fish and a harvest takes place.

Typically, these activities occur in ponds, lakes or other impoundments, where the successful rearing of the aquatic organisms is dependent upon the biology and circulation benefits of the entire water body, even if nets or cages are utilized. Aquaculture activities also take place in tanks or flow-through or closed raceway systems, where water continuously flows through the system. The activity may also take place in a building or other structure where the feed, energy, labor and harvest are closely monitored.

The growing and harvesting of shellfish, typically clams and oysters is conducted in the bay on leased or riparian areas and the open ocean, and will most likely not qualify for farmland assessment.

Contact Information

Department of Agriculture: Richard Belcher, (609) 633-2549

Division of Taxation: Kevin Boyle, (609) 292-7202