

What property qualifies for the Greenbelt Law?

There are three types of land which may qualify for Greenbelt classification: farm, forestry and open space land.

Agricultural land is land which is part of a farm "engaged in the production or growing of crops, plants, animals, nursery, or floral products." The property may include some areas which don't produce farm products (such as woodland and wasteland). It may also include a homesite for the owner or farm operator assessed at market value like other homes, not the same owner may qualify if one is at least 15 acres and none is less than 10 acres, if all are part of a farm.

The assessor considers the number of acres, the portion of land used for farming and how much is produced. To qualify as agricultural land, farm property should normally produce an average annual gross farm income (including farm sales, farm rent or federal farm support payments) of at least \$1,500. Property may also qualify if you, or your parent or spouse, have farmed the property for at least 25 years as long as you continue to live on the property and the property is not used for any purpose other than farming.

Forest land is property of 15 acres or more used in the growing of trees "under a sound program of sustained yield management" or with a amount and quality of tree growth which is managed like a forest. The assessor considers the number of acres, the amount of timber, the actual and potential growth rate of the timber and the management practices being applied to the land. Forest land does not have to produce a specific income to be considered for Greenbelt.

Open space land is property of three acres or more maintained in an open or natural condition, preservation of which benefits the public by conserving natural resources by providing a natural setting for people who might otherwise have access to such a place and providing "relief from the monotony of urban sprawl." Although the property may be used for

recreation by the public, properties which have been significantly developed for this purpose, such as golf courses, do not qualify. The property must be included within a plan for preservation approved by state or local planning agencies, or the owner must execute a perpetual open space easement--which requires the owner of the land to maintain the property's open and natural character--in favor of the state commissioner of environment and conservation on terms approved by the commissioner.

Other Limitations. The law limits the amount of land which qualifies for Greenbelt to 1,500 acres per owner per county. An "owner" may be more than one person. If you own property with others, you are "credited" with your portion of the property. If the owner is a corporation or similar entity, the law treats the corporation as an owner and "credits" the individual owners of the corporation with their proportionate share.

How do I apply for Greenbelt?

To qualify for Greenbelt, you must apply by March 1 of the first year for which Greenbelt is sought. Application is made to the assessor using a form provided by the state. You must certify on the form what the property is used for. There is no fee to apply, but you must record the application in the county register's office if it is approved. You are responsible for any recording fee.

Greenbelt forest applicants should be prepared to provide information about the amount and type of timber on the property and the owner's current and proposed forest management practices for the property.

Once your application is approved, you do not have to apply each year. However, new owners of agricultural property must file an application in the new owner's name when the property is acquired if they wish to continue the classification. Application must be made by March 1 in the year following the transfer of ownership.

The assessor may ask you to supply information about the property income, use and ownership either when you apply or later. The law requires the assessor to make sure that only qualifying properties benefit from Greenbelt.

How is "use value" determined?

Property approved for Greenbelt is valued by the assessor at both its fair market value and use value. However, the assessment is based only on use value. Fair market value is what the property would sell for on the assessment date (January 1 of the tax year), considering not only the current use but any possible more intensive uses. For example, farm property located near residential subdivisions or commercial developments might have a higher market value because of the possibility of its future development. Use value, on the other hand, assumes that Greenbelt land cannot be used for any purpose other than Greenbelt.

In fact, a complex formula contained in the law assures that use value is almost always less than fair market value, and usually much less. The formula is used to determine a use value schedule for various types of agricultural land, which is recalculated every 3 to 6 years.

The assessor determines use value from the county schedule and then calculates 25% of the total use value as the assessed value to which the current year's tax rate is applied.

The homesite of a Greenbelt tract is not valued from the use value schedule but instead valued from a market value schedule established for rural land in the county. The home itself is valued like any other residence in the county.

What happens when property no longer qualifies for Greenbelt?

When Greenbelt property is disqualified for any reason, the owner is liable for a rollback assessment which means a repayment of the taxes saved while the land was classified as Greenbelt. The rollback period is 3 years for agricultural and forest land, 5 years for open space land and 10 years for land under an open space easement. The owner may be liable for rollback for any of the following reasons:

- * the property no longer qualifies for Greenbelt, including failure of a new owner to apply in the new owner's name.
- * the owner requests in writing that the classification be withdrawn.