

OFFICE OF LEGISLATIVE RESEARCH
PUBLIC ACT SUMMARY



PA 18-176—HB 5534

Planning and Development Committee

AN ACT CONCERNING THE CLASSIFICATION OF FARM LAND

SUMMARY: This act requires tax assessors to approve applications to classify as farm land any land that meets the farm land criteria under the PA 490 program (see BACKGROUND). Specifically, assessors may not refuse to classify a portion of land as farm land on account of municipal zoning regulations establishing minimum acreage requirements for residential or agricultural parcels.

Existing law, unchanged by the act, requires tax assessors, when a timely application is made to classify land as farm land under the program, to (1) determine whether the subject land qualifies as such and (2) if so, classify it as such on the municipality's grand list. By law, "farm land" is any tract or tracts of land, including woodland and wasteland, constituting a farm unit. In determining whether land is farm land, a tax assessor must consider, among other things, total acreage; the portion being used for agricultural purposes; productivity; gross income derived from the land; the nature and value of related equipment; and the extent to which farm land tracts are contiguous (CGS §§ 12-107b & 12-107c).

EFFECTIVE DATE: October 1, 2018, and applicable to assessment years beginning on or after that date.

BACKGROUND

PA 490 Program

In 1963, the legislature enacted PA 63-490, commonly referred to as "PA 490" or the "490 program" (CGS § 12-107a *et seq.*). The program allows four classifications of land—farm, forest, open space, and maritime heritage land—to be assessed at their current use value, rather than their fair market value (CGS § 12-63). "Current use value" refers to what the land is worth as it is actually used; "fair market value" refers to what the land may be worth on the open market (i.e., its highest and best use).