



House of Representatives

General Assembly

File No. 458

February Session, 2018

House Bill No. 5534

House of Representatives, April 12, 2018

The Committee on Planning and Development reported through REP. LEMAR of the 96th Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

AN ACT CONCERNING THE CLASSIFICATION OF FARM LAND.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 12-107c of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2018, and*
3 *applicable to assessment years commencing on or after October 1, 2018*):

4 (a) An owner of land may apply for its classification as farm land on
5 any grand list of a municipality by filing a written application for such
6 classification with the assessor thereof not earlier than thirty days
7 before or later than thirty days after the assessment date, provided in a
8 year in which a revaluation of all real property in accordance with
9 section 12-62 becomes effective such application may be filed not later
10 than ninety days after such assessment date. The assessor shall
11 determine whether such land is farm land and, if such assessor
12 determines that it is farm land, he or she shall classify and include it as
13 such on the grand list. In determining whether such land is farm land,
14 such assessor shall take into account, among other things, the acreage
15 of such land, the portion thereof in actual use for farming or

16 agricultural operations, the productivity of such land, the gross income
 17 derived therefrom, the nature and value of the equipment used in
 18 connection therewith, and the extent to which the tracts comprising
 19 such land are contiguous. The assessor shall not deny the application
 20 of an owner of land for classification of such land as farm land if such
 21 land meets the criteria for classification as farm land pursuant to this
 22 subsection.

23 (b) An application for classification of land as farm land shall be
 24 made upon a form prescribed by the Commissioner of Agriculture and
 25 shall set forth a description of the land, a general description of the use
 26 to which it is being put, a statement of the potential liability for tax
 27 under the provisions of sections 12-504a to 12-504f, inclusive, and such
 28 other information as the assessor may require to aid the assessor in
 29 determining whether such land qualifies for such classification.

30 (c) Failure to file an application for classification of land as farm
 31 land within the time limit prescribed in subsection (a) and in the
 32 manner and form prescribed in subsection (b) shall be considered a
 33 waiver of the right to such classification on such assessment list.

34 (d) Any person aggrieved by the denial of any application for the
 35 classification of land as farm land shall have the same rights and
 36 remedies for appeal and relief as are provided in the general statutes
 37 for taxpayers claiming to be aggrieved by the doings of assessors or
 38 boards of assessment appeals.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2018, and applicable to assessment years commencing on or after October 1, 2018</i>	12-107c

PD *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note***State Impact:*** None***Municipal Impact:*** None***Explanation***

The bill specifies that assessors shall classify farmland as PA 490 land if the land meets the criteria, unchanged by the bill, for such classification. This has no fiscal impact, as assessors are already required to do this under current law.

The Out Years***State Impact:*** None***Municipal Impact:*** None

OLR Bill Analysis**HB 5534*****AN ACT CONCERNING THE CLASSIFICATION OF FARM LAND.*****SUMMARY**

This bill 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). Existing law, unchanged by the bill, 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).

COMMITTEE ACTION

Planning and Development Committee

Joint Favorable

Yea 22 Nay 0 (03/26/2018)