

Overview of the Farmland Assessment Act of 1969

Utah Code 59-2-501 to 59-2-515

Commonly called "Greenbelt"

Policy

- Prior to 1969, Utah farmland was assessed and taxed according to its market value. However, as Utah population centers began to expand into the surrounding agricultural property, the market value produced property taxes that made some farming operations economically prohibitive.
- In 1969 the Utah Legislature passed the Utah Farmland Assessment Act (FAA), which provided for qualified agricultural property to be assessed and taxed on its productive value instead of its market value.
- FAA is preferential assessment program, it is not an exemption.
- This is a voluntary program so an owner must apply to the County Assessor.

Statistics

- There are approximately 7 million acres assessed under the FAA.
- There are about 5.2 million acres of grazing land.
- About 900,000 acres are irrigated cropland.
- There are 16 classifications of agricultural land in the state.
- There are approximately 100,000 parcels assessed under the FAA.

Qualification Requirements

- A parcel must have two (2) years prior qualifying agricultural use.
- It must produce in excess of 50% of the average production for the given area, and classification of land.
- There must be five (5) acres minimum dedicated to agricultural use.
- The owner must apply to the County Assessor.

Rollback

- Triggered when land no longer meets the qualification requirements.
- Equals the difference in tax back five (5) years between the amount paid under FAA "Greenbelt" and what would have been paid at market value.

Responsibilities

County Assessor

- Determines the land classifications.
- Determines eligibility.
- Determines the fair market value.

Tax Commission

- Determines FAA taxable values in cooperation with an Advisory Committee and a study conducted each year by Utah State University.
- Provides auditing assistance.
- Provides oversight, training and technical assistance.