

Results of NOT Continuing in the New Working Lands Initiative Farmland Preservation Program

- Loss of up to \$2.3 million in tax credits to Jefferson County landowners, money that comes into Jefferson County and is redistributed through spending, thus increasing economic prosperity
- Loss of conservation on over 144,000 acres resulting in damage to the sustainability of our County farmland
- Reduction in water quality due to increased sedimentation, nutrient loading and lack of animal waste regulations
- Loss of preservation of farmland throughout the County
- Loss of ability to meet required State Conservation Standards in a timely manner
- Potential degradation of the environment affecting the health, well being and quality of life for residents of Jefferson County along with potential economic impacts of reduced tourism
- Jefferson County will be **unable** to qualify for Purchase of Conservation Easement (PACE) grants
- Because the new Working Lands Initiative uses the funds previously designated for the old FPP **AND** the Farmland Tax Credit Relief program, there will be no further tax relief for Jefferson County agricultural landowners
- Many elderly/fixed income landowners rely on farmland tax credits to extend their budgets

Working Lands Initiative

The NEW Farmland Preservation Program Benefits and Implications to Jefferson County

Overview of Agriculture in Jefferson County

(2007 Ag Census, Jefferson County GIS and UWEX Data)

- 1434 farms in Jefferson County
- Approximately 308,900 acres of the County are currently zoned A1 (Exclusive Agricultural Zoning)
- Average farm size of 170 acres
- Agricultural sales alone account for over \$209 million annually in Jefferson County. Additionally, ag producers spend hundreds of millions of dollars on wages, fertilizer, seed, machinery, taxes and interest payments

New Farmland Preservation Program (FPP) Tax Credit Benefit to Jefferson County Land Owners

- Under the current enrollment of 987 farms, the new FPP tax credit would equal \$1.08 million dollars on 144,684 acres annually as opposed to past credit collected of \$480,000
- Potential of \$2.3 million if all A1 zoned land was enrolled, based on the new credit of \$7.50 per acre
- Based on average farm size, average credit would equal \$1275
- No minimum acreage requirement, thus landowners can potentially meet income requirements for FPP on farms with as few as 15 tillable acres
- Removes previous income barrier to collecting tax credit for larger, profitable farms that were currently only receiving a 10% property tax credit up to \$600
- Opportunity for further preservation of farmland by forming Agricultural Enterprise Areas and getting increased tax credit of \$10 per acre

Conservation/Environmental Benefits To all people of Jefferson County

- **Wisconsin State Law requires conservation standards be met on all farms. This means cleaner, safer surface and ground water and continued agricultural sustainability of the land.**
 - ✓ Soil loss must be to tolerable levels
 - ✓ All farms must have annual nutrient management plans
 - ✓ No runoff of manure into waters of the State
 - ✓ No over flow of manure storage structures
 - ✓ Repair or upgrade failing or leaking manure storage structures
 - ✓ Close all idle manure storage structures according to accepted standards
 - ✓ Meet technical standards for new or substantially altered manure storage structures
 - ✓ No stacking of manure in Water Quality Management Areas (any area susceptible to groundwater contamination, within 300 feet of a stream or river; or 1000 feet of a lake)
 - ✓ Divert all clean water away from feedlots, manure storage areas, and barnyards within Water Quality Management Areas

- **Current Conservation Compliance in Jefferson County**
 - ✓ Conservation Plans meeting tolerable soil loss standards cover no less than 1000 farms on at least 144,000 acres
 - ✓ 2010 Survey of current FPP participants indicates 35% have Nutrient Management Plans
 - ✓ Many large farms already meet all State conservation laws under a WI DNR permit or Live Stock Siting Ordinance
- LWCD is the primary Conservation Planning source in the County, USDA staff does very little planning
- New Conversion Fee for land taken out of A1 zoning discourages development of farmland
- Conversion Fee can be avoided by using the “conditional use” process which allows residential construction that is compatible with the Farmland Preservation District.
- Conversion fee funds Purchase of Agricultural Conservation Easement (PACE) Program, further preserving farmland