

# Please vote **June 12<sup>th</sup>** for Monmouth's **Voluntary Farm Support Program Ordinance**

## **WHAT IT DOES:**

This ordinance, [Article 10 on the Town Warrant](#), allows the town to provide property tax relief to farms accepted into the program. The program goal is to create an arrangement whereby the town supports its agricultural businesses, and in exchange those businesses make a 20-year commitment to protect Monmouth's agricultural heritage. If passed, the ordinance creates the program and authorizes farms to apply for the property tax refund; each application must be approved by the town's voting body at a subsequent town meeting.

## **HOW IT WORKS:**

Farms voluntarily apply to the town. Those that meet all eligibility criteria and are accepted by a town-wide vote receive a 75% refund of property taxes assessed on farmland and farm buildings. In exchange for the tax refund, the farm's owners grant a 20-year agricultural conservation easement to the town. The easement allows farming to continue and prevents the farmland from being subdivided and converted to non-agricultural use.

## **WHAT FARMS ARE ELIGIBLE:**

To apply, a farm must be at least 5 acres in size and generate at least \$5,000 in annual revenue, of which \$1,000 can reflect the value of home-use products. There are clear rules about what farmland types and farm buildings are eligible, the easement terms, easement monitoring, and processes should a farm cease farming or seek to withdraw from the arrangement.

## **HOW ARE FARMS ACCEPTED INTO THE PROGRAM?**

No farm is required to join the program. Each farm must voluntarily apply to the town to be accepted into the program through a town-wide vote. This will allow Monmouth voters the opportunity to choose each farm support arrangement. Within any given year, if the proposed amount for farm tax relief exceeds 1% of the town's overall property valuation, then a 2/3 town approval vote is required to accept the farm(s). There is a cap at 3% of the town's property valuation overall. To go above this amount would also require a 2/3 approval by the town.

## **WHY SUPPORT MONMOUTH FARMS:**

Farming is at a crossroads in Maine. As longtime farmers continue to work the land and plan for retirement, there are fewer people coming into farming. Costs, including property taxes, are a major barrier to longtime farmers and new farmers. With this ordinance, Monmouth can support farms while keeping the land productive and jobs in town.

*'The margins are very tight in agriculture and the tax relief provided by this program will go a long way in supporting our local farmers and preserving open space in our town.'* -Andy Smith, The Milkhouse Farm & Dairy



## WHAT WILL THIS MEAN FOR MY PROPERTY TAXES?

### SMALL FARMS

- A 10-acre farm, if in the Farmland Property Tax state program, would be assessed at \$400 per acre, or \$4,000. That equates to annual property taxes of about \$70. In exchange for a 20-year easement registered at the Kennebec County Deeds office, the farm would get 75% (or about \$52.50) refunded per year for the duration of the easement.
- A 10-acre farm NOT in the Farmland Property Tax state program would be assessed at \$18,600. The 75% refund would be about \$244 on annual property taxes of about \$326.
- This is for land only and does not include that portion which could be included for buildings that are used for farming.

### LARGE FARMS

- A larger farm, say one with 400 acres of **land** in the Farmland Property Tax state program would see 75% of a \$2,808 annual property tax bill refunded, or \$2,106.
- If **buildings** used for farming were valued at \$100,000, the property taxes would be \$1,755 and 75% refund would be \$1,316.
- A sizable farm might be eligible for \$3422 of total annual property taxes refunded.

## THE BENEFITS

- Farms are local family-owned businesses that create jobs and strengthen the local and regional economy by patronizing other businesses in Monmouth and neighboring communities.
- Access to local, healthy foods and other products is good for all of us!
- Farming is a part of Monmouth's heritage and contributes beauty to the landscape.
- Farm families settle in the community for the long term.
- Farm owners often allow access to their lands for snowmobile trails, walking and hunting.
- Farmers steward their land to protect valuable agricultural soils and provide other natural resource benefits such as wildlife habitat, water quality protection, open space and fresh air.
- Cows don't go to school! Across the United States, farms historically provide more in property tax revenue than they require in community services. While population growth is good for our community, this ordinance will help Monmouth keep the best agricultural soils available for farming.

**WHERE TO LEARN MORE:** [nancy@growSMARTmaine.org](mailto:nancy@growSMARTmaine.org)

**HOW TO VOTE:** vote in person June 12th at Cumston Hall, 8 am-8pm, or pick up an absentee ballot at the Town Office beforehand.

*And Thank You!*