

Wetlands and Farm Use

Connecticut General Statutes, Section 22a-40. Permitted operations and uses.

(a) The following operations and uses shall be permitted in wetlands and watercourses, as of right:

(1) Grazing, farming, nurseries, gardening and harvesting of crops and farm ponds of three acres or less essential to the farming operation, and activities conducted by, or under the authority of, the Department of Environmental Protection for the purposes of wetland or watercourse restoration or enhancement or mosquito control. The provisions of this subdivision shall not be construed to include road construction or the erection of buildings not directly related to the farming operation, relocation of watercourses with continual flow, filling or reclamation of wetlands or watercourses with continual flow, clear cutting of timber except for the expansion of agricultural crop land, the mining of top soil, peat, sand, gravel or similar material from wetlands or watercourses for the purposes of sale;

(2) A residential home (i) for which a building permit has been issued or (ii) on a subdivision lot, provided the permit has been issued or the subdivision has been approved by a municipal planning, zoning or planning and zoning commission as of the effective date of promulgation of the municipal regulations pursuant to subsection (b) of section 22a-42a or as of July 1, 1974, whichever is earlier, and further provided no residential home shall be permitted as of right pursuant to this subdivision unless the permit was obtained on or before July 1, 1987;

(3) Boat anchorage or mooring;

(4) Uses incidental to the enjoyment and maintenance of residential property, such property defined as equal to or smaller than the largest minimum residential lot site permitted anywhere in the municipality, provided in any town, where there are no zoning regulations establishing minimum residential lot sites, the largest minimum lot site shall be two acres. Such incidental uses shall include maintenance of existing structures and landscaping but shall not include removal or deposition of significant amounts of material from or onto a wetland or watercourse or diversion or alteration of a watercourse;

(5) Construction and operation, by water companies as defined in section 16-1 or by municipal water supply systems as provided for in chapter 102, of dams, reservoirs and other facilities necessary to the impounding, storage and withdrawal of water in connection with public water supplies except as provided in sections 22a-401 and 22a-403; and

(6) Maintenance relating to any drainage pipe which existed before the effective date of any municipal regulations adopted pursuant to section 22a-42a or July 1, 1974, whichever is earlier, provided such pipe is on property which is zoned as residential but which does not contain hydrophytic vegetation. For purposes of this subdivision,

"maintenance" means the removal of accumulated leaves, soil, and other debris whether by hand or machine, while the pipe remains in place.

(b) The following operations and uses shall be permitted, as nonregulated uses in wetlands and watercourses, provided they do not disturb the natural and indigenous character of the wetland or watercourse by removal or deposition of material, alteration or obstruction of water flow or pollution of the wetland or watercourse:

(1) Conservation of soil, vegetation, water, fish, shellfish and wildlife; and

(2) Outdoor recreation including play and sporting areas, golf courses, field trials, nature study, hiking, horseback riding, swimming, skin diving, camping, boating, water skiing, trapping, hunting, fishing and shellfishing where otherwise legally permitted and regulated.

(c) Any dredging or any erection, placement, retention or maintenance of any structure, fill, obstruction or encroachment, or any work incidental to such activities, conducted by a state agency, which activity is regulated under sections 22a-28 to 22a-35, inclusive, or sections 22a-359b to 22a-363f, inclusive, shall not require any permit or approval under sections 22a-36 to 22a-45, inclusive.

(1972, P.A. 155, S. 3; P.A. 73-571, S. 1, 9; P.A. 77-599, S. 2, 7; P.A. 87-533, S. 2, 14; P.A. 88-364, S. 33, 123; P.A. 94-89, S. 15; P.A. 97-289, S. 5, 9; P.A. 98-209, S. 4.)

History: P.A. 73-571 allowed usage of wetlands and watercourses for grazing, farming, etc. purposes, for residential purposes, for boat anchorage or mooring and for water supply purposes "as of right" as was previously the case deleting exception "as they involve regulated activities", but allowed usage "as a nonregulated use ... provided they do not disturb the natural and indigenous character of the land" for conservation of soil, vegetation, etc. and outdoor regulation, where previously these uses too had been "as of right"; P.A. 77-599 amended Subsec. (a)(2) for clarity adding references to approval by municipal planning and zoning commissions and to July 1, 1974, as alternate approval date, amended (a)(4) for clarity by adding words "equal to or smaller than" with reference to lot size, by specifying that incidental uses include "maintenance of existing structures and landscaping" but exclude "removal or deposition of significant amounts of material from or onto a wetland or watercourse or diversion or alteration of a watercourse", amended Subsec. (b) to specifically prohibit removal or deposition of material, alteration or obstruction of water flow or pollution of wetlands or watercourses and to refer to field "trials" rather than field "trails" in (b) (2); P.A. 87-533 amended Subdiv. (1) of Subsec. (a) to require permits for farm ponds not essential to the farming operation, and certain road construction, relocation of wetlands and watercourses with continual flow, clear cutting of timber, and mining for the purposes of sale and amended Subdiv. (2) of Subsec. (a) to require permits for all residential homes after July 1, 1987; P.A. 88-364 made a technical change in Subsec. (a); P.A. 94-89 amended Subsec. (a) to add a new Subdiv. (6) re maintenance of drainage pipes in certain wetlands areas; P.A. 97-289 amended Subdiv. (1) of Subsec. (a) to include in the operations permitted as of right

activities of the Commissioner of Environmental Protection re wetland or watercourse restoration and mosquito control, effective July 1, 1997; P.A. 98-209 added new Subsec. (c) re permitted uses by state agencies.

Cited. 179 C. 250. Cited. 180 C. 421; Id., 692. Cited. 183 C. 532. The inland wetlands and watercourses act cited. 186 C. 67. Cited. 193 C. 414. The inland wetlands and watercourses act cited. 196 C. 218. Cited. 203 C. 525. Cited. 209 C. 544; Id., 652. Cited. 211 C. 416. Inland wetlands and watercourses act cited. 212 C. 710; Id., 727; 213 C. 604. Cited. 216 C. 320. Inland wetlands and watercourses act (IWWA) Sec. 22a-36 et seq. cited. Id. Inland wetlands and watercourses act (IWWA) cited. 217 C. 164. Inland wetlands and watercourses act cited. 218 C. 703; 219 C. 404. Cited. 220 C. 362; Id., 476. Cited. 226 C. 358. Inland wetlands and watercourses act, Secs. 22a-36-22a-45a cited. Id., 579. Inland wetlands and watercourses act, Sec. 22a-36 et seq. cited. 228 C. 95. Cited. 229 C. 247. Inland wetlands and watercourses act cited. Id. Cited. Id., 627; Id., 654. Inland Wetlands and Watercourses Act cited. 242 C. 335.

Cited. 4 CA 271. Cited. 5 CA 70. Cited. 6 CA 715. Cited. 7 CA 283. Inland wetlands and watercourses act cited. 12 CA 47. Inland wetlands and watercourses act cited. 15 CA 336; 18 CA 440. Cited. 19 CA 713. Inland wetlands and watercourses act cited. 20 CA 309; 26 CA 564; 27 CA 590; 28 CA 780. Inland wetlands and watercourses act, Sec. 22a-36 et seq. cited. 29 CA 12; Id., 105. Inland wetlands act cited. 30 CA 85. Inland wetlands and watercourses act, Secs. 22a-36-22a-45 cited. 31 CA 105; Id., 599; judgment reversed, see 229 C. 627, see also 36 CA 270. Inland wetlands and watercourses act cited. 32 CA 799. Inland wetlands and watercourses act, Sec. 22a-36 et seq. cited. 34 CA 385. Inland wetlands and Watercourses Act cited. 36 CA 270; 37 CA 166.

Cited. 35 CS 145. Cited. 36 CS 1. Cited. 41 CS 444. Cited. 42 CS 57.

Subsec. (a):

Subdiv. (4): Statute intended to apply only to that which is already in existence on residential property, including residence. 183 C. 532. Subdiv. (1) cited. 215 C. 616. Subdiv. (2): There is no as-of-right exemption from wetlands regulation under this section for construction of houses on subdivision lots existing prior to July 1, 1974, unless a building permit had been issued for such lot prior to July 1, 1987. 229 C. 247. P.A. 87-533 cited. Id.

Subdiv. (1): Regulation in effect at time of court decision is controlling. 18 CA 440. Subdiv. (1) cited. 20 CA 819. Subdiv. (1) cited. 24 CA 163.

Subsec. (b):

Cited. 217 C. 164.

What is a Tax ID or EIN?

An Employer Identification Number (EIN), also known as a Federal Tax Identification Number, is a nine-digit number that the IRS assigns to business entities. The IRS uses this number to identify taxpayers that are required to file various business tax returns. **EINs are used by employers, sole proprietors, corporations, partnerships, non-profit organizations, trusts and estates, government agencies, certain individuals and other business entities.**

Who Regulates Land Use in Connecticut?

Land use decisions in Connecticut are primarily made at the local level by boards and commissions that are made up of local residents who are either elected or appointed, depending on the municipal charter.

Each municipality in Connecticut is responsible for managing land use and development within its borders. This is done through a variety of mechanisms established by the legislature, which are primarily found in Title 8 of the Connecticut General Statutes.

Planning Commission

The municipal planning commission is responsible for regulating the division of parcels of land into multiple lots. This is controlled through the local subdivision regulations which are established and administered by the municipal planning commission. The establishment of the regulations must be done in accordance with state statutory requirements, which include a mandatory public comment period and public hearing.

The content of subdivision regulations is specified in section 8-23 of the Connecticut General Statutes (CGS). The subdivision regulations typically include, among other things, standards as to the character of each lot, such as shape and percent of each lot that can be steep slope or wetlands. The regulations generally specify street or road design standards and required open space set-asides. Once the regulations are formally adopted, the commission's role is to determine whether or not a specific proposal is consistent with the existing subdivision regulations. They do not have discretion to approve an application that is inconsistent with the regulations, nor can they deny an application that meets the standards and criteria of the regulations.

The planning commission is also responsible for developing the municipal plan of conservation and development. This plan is a blueprint for the future development of the city or town.

Zoning Commission

The zoning commission is responsible for developing and adopting the zoning regulations, which must be done in accordance with statutory requirements. The adoption process includes an opportunity for public comment and a public hearing. The zoning regulations establish various zoning districts (e.g., commercial, industrial, multi-family residential, single family residential) and the standards for each district. These standards typically include the minimum size of a "buildable lot" (i.e., a parcel that can be built upon), and the size and locations of buildings, driveways, parking lots and other improvements. The location of each district in a municipality is shown on a zoning map. Zoning regulations also control the uses that can occur on individual lots (e.g., residential, commercial, industrial). Similar to the planning commission, the zoning commission has little ability to approve an application that does not meet the zoning regulations, nor deny an application that does.

Combined Commission

In many cities and towns, the authorities and responsibilities of the planning commission and the zoning commission have been combined into a joint planning and zoning commission.

Zoning Board of Appeals

The zoning board of appeals hears cases where the strict application of the zoning regulations would create a significant hardship and can vary the zoning regulations on a case by case basis. Each municipality that has adopted zoning regulations also has a zoning enforcement officer. The zoning board of appeals can hear cases where it is alleged that the zoning enforcement officer has made an error in enforcing the zoning regulations.

Coastal Management

In coastal communities, the municipal planning and/or zoning commissions and zoning boards of appeal are also responsible for implementing the Connecticut Coastal Management Act (CCMA, CGS sections 22a-90 through 22a-112). This is done primarily through the coastal site plan review process. This process requires that the appropriate commission or board determine:

- whether or not the proposed activity is consistent with all applicable coastal policies and standards in the CCMA; and
- whether or not the potential adverse impacts of the proposed activity on both coastal resources and future water-dependent development activities are acceptable.

DEP's Office of Long Island Sound Programs staff is available to assist towns in the review of complex coastal site plans and can provide training in this process on request. Additional information on coastal management is available on DEP's [Coastal Land Use Planning](#) web page, which includes a link to the Connecticut Coastal Management Manual.

Inland Wetlands and Watercourses Commission

Local inland wetlands and watercourses commissions regulate activities that affect inland wetlands and watercourses within their municipal boundaries. Regulated activities are broadly defined to mean "...any operation within or use of a wetland or watercourse involving removal or deposition of material, or any obstruction, construction, alteration or pollution, of such wetlands or watercourses..."(CGS section 22a-38(13)). These activities are subject to local review and approval when proposed or conducted by all persons or entities other than state agencies. State agency actions are solely regulated by the DEP. In order to conduct a regulated activity, a person must first apply for and obtain a wetland permit from the local wetlands agency. An applicant aggrieved by a decision of the wetlands agency may appeal a municipal inland wetlands agency decision to superior court. The DEP does not have authority to decide appeals in inland wetlands matters.

In addition to work directly in wetlands or watercourses, construction or other work located in areas adjacent to wetlands may have an impact on those wetlands. For this reason, many towns regulate activities in designated areas surrounding wetlands. Such non-wetland areas are generally described as upland review areas.

The statutes omit certain activities from the definition of regulated activity and so they are not subject to the jurisdiction of the local wetlands agency. These activities involve certain agricultural, residential, water company, maintenance, conservation, and recreational uses of wetlands. In addition, certain activities regulated by the DEP under its tidal wetlands and dam safety statutes are not subject to local control. While a local wetland permit may not be required for such uses, other environmental permits may be needed.

Depending on the municipality, the inland wetlands commission may be a separate entity, or a planning and zoning commission, conservation commission, or other municipal entity may act as the inland wetlands and watercourse commission.

The Inland Wetlands Resources Division at DEP can provide additional information on the [management of wetlands](#) in Connecticut.

Local Supporting Entities

Local planning and zoning commissions often do not have the level of expertise necessary to completely understand the environmental, economic or cultural implications of applications before them. To help provide a more comprehensive review from the municipal perspective, several other boards and commissions have advisory roles in land use and development. These may include a conservation commission, with its focus on environmental issues, a water pollution control authority, an economic development commission, and, in some municipalities, either an historic district, with its focus on historic and cultural resources, or a harbor management commission, or both. Depending upon the municipality, there may be other advisory boards and commissions.

Regulations

Many cities and towns have posted their land use regulations on their [municipal website](#) and hard copies are generally available from the land use office in the city or town hall.

Municipally Owned Lands

Individual municipalities own land that is used for a variety of purposes ranging from open space to fire houses, administrative offices, schools and libraries. Some municipalities own golf courses, hospitals and even airports. The municipal owner determines the use of these lands, subject to any state or local permitting requirements. Whether municipal lands are subject to the local land use requirements will be stated in the applicable regulations.

Zoning: Farming and Alternative Uses

It is extremely difficult in this day and age to make a full time living out of farming. This difficulty is what provides the impetus in pushing the farmer out of the farming business and into the land selling business. This land that may have historically been beneficial to the town in terms of scenic beauty, wildlife habitats, and quality of life will undergo a drastic change if a developer has it their way and homes are built on these lands. This development will mean higher costs in taxes due to more children in schools, road maintenance, and infra structure costs for water, sewer and power. Studies have shown that property tax revenues generated by farmland, open space and forest are far greater than expenses by the town to service that land.

A question might be asked: Why not allow a farm to stay in business and even allow alternative uses (agri-tourism) as long as farming is the principal activity? The alternative uses would actually subsidize the true farming activity. Alternative uses such as weddings, hay wagon rides, sleigh rides and other special events are examples but it is up to the town to decide if this fits into the towns plan for conservation and development. Town planners may believe that these alternative uses are not suited for the land. However, the town must understand that all a farmer may be trying to do is to keep their land active in farming and in order to do this they may have to subsidize their farm through special uses that go along with the agricultural activity. The farm owner could probably sell their land and be set for life but they do not want to do this. Allowing for special uses allows for the preservation of the family farm and allows the public access to the farm which in turn brings some local revenue to the town.

In order to allow these different or alternative farm uses, there may have to be changes to town ordinances and zoning which may be a difficult process.

Possible Steps

1. Obtain the Zoning Code for your town and see what it says
2. Put together a business plan for you farm operation with 2yr, 5 yr and if possible a 10 yr plan on what you are doing and intend to do
3. Obtain aerial photo of the property for overlays and planning purposes
4. Educate the Town!
 - a. Find a champion for your cause (a town or county official, town leader)
 - b. Show and tell the town what benefits are to the town
 - c. Use slides, videos, pictures, written material
 - d. Bring in helpful experts to help you
 - e. You may need a professional planner or a zoning attorney
 - f. Most towns have a Plan of Conservation and Development-see if you can fit into it
 - g. Always try to work with the town, not against them

2010 RECOMMENDED LAND USE VALUES

Effective October 1, 2010

CATEGORY	STATE-WIDE	RIVER VALLEY
Tillable A	\$2,400	\$2,800
Tillable B	\$1,600	\$2,000
Tillable C	\$400	\$1,100
Tillable D	\$225	\$600
Orchard E	\$750	\$750
Pasture F	\$90	\$90
Swamp, Ledge Scrub G	\$40	\$40
Woodland/Forest Land	\$130	\$130

CONNECTICUT LAND CLASSIFICATIONS

Tillable A – Excellent. Light, well drained, sandy loams, typically flat or level, no stones.

Shade tobacco, nursery, some cropland.

Tillable B – Very Good. Light, well drained, sandy loams, typically level to slightly rolling, may have some stones.

Binder tobacco, vegetables, potatoes, some cropland.

Tillable C – Very Good to Good. Quite level. Moderate heavier soils, level to rolling, may have stones.

Corn silage, hay, vegetables, potatoes, cropland.

Tillable D – Good to Fair. Heavier soils, maybe sloped and hilly, stones and seasonal wetness may be limiting factors. Moderate to considerable slope.

Hay, corn silage, rotation pasture, cropland.

Orchard – Fruit orchard. May include grapes and berries.

Pasture – Permanent Pasture, unmanaged pasture, not tilled, grazing. May be heavier soils too wet or stony to till for crops, may be wooded area, Xmas trees.

Swamp/Ledge/Scrub Lands – Wetlands, ledge outcroppings. Non-farmable areas that also make up the farm unit.

Woodland, Forest – Forestland associated with the farm unit. Non farmable areas that also make up the farm unit.

River Valley Municipalities		
Bloomfield	Glastonbury	South Windsor
Cromwell	Granby	Suffield
East Granby	Manchester	Vernon
East Hartford	Portland	West Hartford
East Windsor	Rocky Hill	Wethersfield
Ellington	Simsbury	Windsor
Enfield	Somers	Windsor Locks

Connecticut
Department of Agriculture

**2010 & 2011
Agriculture Viability
Grants Program**

****Farm Viability Grant for Municipalities & Non-
Profits****

****Farm Transition Grant for Producers****



M. Jodi Rell, Governor

CT Department of Agriculture

Agriculture Viability Grants

“to strengthen the economic viability of Connecticut farmers and to promote the sustainability of agriculture in Connecticut and its municipalities”

**Proposals must be postmarked by:
NOVEMBER 12, 2010**

CT Dept. of Agriculture
Agriculture Viability Grants
165 Capitol Avenue, Room 129
Hartford, CT 06106
860-713-2503

[email: ronald.olsen@ct.gov](mailto:ronald.olsen@ct.gov)

www.ct.gov/doag

Field Code Changed

Overview

The CT Department of Agriculture is now accepting proposals from a variety of agriculture stakeholders – specifically farmers, farmer cooperatives, non-profits working directly with farmers, municipalities, municipal associations, regional planning agencies/councils of government, and non-profits working directly with municipalities – who are planning activities that will promote agriculture sustainability and/or increase the economic viability of one or many farm businesses.

Funding for the State of Connecticut Agriculture Viability Grants was established in 2005 through Public Act 228-05, An Act Concerning Farm Land Preservation, Land Protection, Affordable Housing and Historic Preservation.

Program Qualification

****NOTE: Depending on the proposal, all applicants for an Agricultural Viability Grant must qualify for either the Farm Transition Program or the Farm Viability Program to receive matching funds.**

The purpose of the Farm Transition Program is:

- to provide support to farmers seeking to enhance their agricultural operation and marketing strategies to increase profits.
- to assist farmers seeking to diversify, transition into new production areas, and/or expand existing production.
- to support educational activities aimed at helping farmers diversify or transition toward new products or new market areas.
- to support educational activities that will advance agricultural practices and assist beginning and/or new farmers.
- to provide a 50% cash match to approved applicants

The purpose of the Farm Viability Program is:

- to provide a cash match for capital projects that are defined as fixed assets and have a life of ten years or more; including projects in conjunction with farmers markets, processing facilities and storage facilities.
- to develop and implement local or regional agriculture-friendly land use regulations.
- to develop and implement local or regional farmland protection strategies.
- to develop and implement plans that sustain and promote local or regional agriculture.
- to fund the production of outreach materials and provide educational workshops to inform municipalities of agriculture-friendly strategies, resources, and programs.
- to fund advertising for local or regional agriculture.
- to provide a 50% cash match to approved applicants.
- to provide a 60% cash match to approved registered non-profit applicants

Eligible Applicants

To qualify for the Farm Transition Program you must be a registered farm business (permitting both owners and tenants of existing production facilities located within the State of Connecticut), or an agricultural cooperative.

To qualify for the Farm Viability Program you must be a municipality in the State of Connecticut, a regional planning association or a regional council of government in the State of Connecticut, or an association of municipalities in the State of Connecticut, specifically CT Conference of Municipalities or CT Council of Small Towns, or a registered 501 (c) (3) non-profit working directly with farmers within the State of Connecticut.

Size of Award

The CT Department of Agriculture's share of the project budget is capped at \$49,999 in matching funds.

Matching Guidelines

Farm Transition Program:

- Matching funds from the applicant must be at least 50% of the total cost of the project budget.
- The applicant's match may exceed the required amount.

Farm Viability Program:

- Matching funds from the applicant must be at least 50% of the total cost of the project budget. Applicants that are registered 501(c) (3) non-profits must match at least 40% of the cost of the project budget.
- The applicant's match may exceed the required amount.
- All applicants for FVP may use in-kind services for all or part of their match.

Eligible Expenses

Eligible project expenses include, but are not limited to: materials and wages for capital improvements, marketing, printing, postage, equipment rental fees, program staff for non-profits and/or consulting. The Agriculture Viability Grants can work in conjunction with projects that secure bank financing and projects that are self-financed. The grant must be paid directly to the applicant or to a bank to reduce a loan principal.

Eligible in-kind expenses refer to resources that are contributed to the project, but not paid for by funds from a grant or contract that is directed to the project. Examples of in kind funds include the value of office space used *exclusively* for the funded project, or the value, fairly assessed, of transportation, photocopying, postage or other costs covered by the applicant organization or by a project partner. Personnel time—either volunteered or paid by a participating entity from other funding—is also an in kind contribution.

Ineligible Expenses

Ineligible expenses are those not specifically stated under eligible expenses such as, but not limited to, the following:

1. Any expense incurred prior to application submittal, review and approval, and contract execution and approval;
2. Land acquisition/mortgages;
3. Mortgage refinancing;
4. Cost of borrowing (points and other fees);
5. Wages paid to applicant or employees, unless a not-for-profit organization or municipality;
6. Attorney's fees;
7. To fund the start-up of new organization;
8. General overhead costs such as heat, rent, maintenance, electricity that would occur in absence of the project; this exclusion extends to equipment such as computers or video equipment with usefulness beyond the boundaries of the project.

Additional Requirements

- 1) All agriculture-related activities funded by the Agriculture Viability Grants must be consistent with the definition of agriculture as defined in Connecticut General Statutes Section 1-1(q).
- 2) All producer applicants must provide a business plan along with their application.
- 3) All non-profit applicants, municipalities, and quasi-governmental associations working directly with municipalities must submit an end-of-year final report detailing grant-funded achievements.
- 4) At end of project, all applicants must submit an audit with an itemized spread sheet detailing actual costs with copies of bills when applicable and in kind expenses attributed to the project.
- 5) We anticipate that most projects will be completed in one year, but multi-year proposals will be considered.
- 6) There are no restrictions on a grantee's eligibility to receive funding in future grant funding cycles, however additional years of funding will be dependent upon grantee's success in reaching prior benchmarks.
- 7) All grantees conducting any sort of capital enhancement or improvement project must agree to a site inspection prior to final approval or rejection of his application. If approved, the grantee must agree to site inspections during the construction phase of the project.
- 8) All grantees must agree to sign an agreement with the State of Connecticut which includes provisions for recapture of any grant money if the CT Department of Agriculture is not satisfied with the terms of the agreement. The Department of Agriculture reserves the right to reject any proposal. The grantee must complete the proposal within the time-frame set forth in the agreement.

Criteria Guideline for Evaluation of Agriculture Viability Grant Proposals

Farm Transition Program	Farm Viability Program
<ul style="list-style-type: none"> ▪ Is the project well defined? ▪ Does the applicant clearly articulate obtainable goals? ▪ Is the applicant's level of commitment specific and detailed? ▪ Will the applicant use partnerships to obtain its goals? ▪ Will the project help to sustain and promote local agriculture? ▪ Will there be short-term as well as long-term benefits as a result of this project? ▪ Will the project enhance the competitiveness of agriculture in a municipality or region, or will it improve the business climate for agricultural entrepreneurs? ▪ Will the project benefit multiple agricultural producers, either directly or indirectly? ▪ Is the proposed use of grant funds realistic? ▪ Does application show the financial support necessary to complete the proposal/project? ▪ Does the planning proposal/business plan clearly state the methods that will be used to achieve the stated goals? ▪ Is the in kind match (if applicable) in keeping with the intent and focus of the project? ▪ If consulting services are being utilized, are they well justified? ▪ At the end of this project will the results be sustainable or does the proposal include a clear plan for sustainable outcomes? 	
<ul style="list-style-type: none"> ▪ Will the project increase farm revenues? ▪ Will locally grown (CT Grown) products be an important facet of the project? ▪ Will the project diversify an existing agricultural operation? 	<ul style="list-style-type: none"> ▪ Has the applicant supplied documentation that indicates support or endorsement from agricultural producers and/or from a farm association for the project?
<p>Additional Considerations</p> <p>How much emphasis is production agriculture given in the project? What portion of match are in cash versus in kind services? Does the applicant include a plan to evaluate for success?</p>	

**CT Department of Agriculture
Agriculture Viability Grants**
Cover Sheet (this must be filled out by all)

Please type or print clearly

1. APPLICANT INFORMATION

Are You a Beginning Farmer? Yes No

Project Title:

Program Applying for:

(check ONE only)

- Farm Transition Program (for producers, ag coops)
- Farm Viability Program (for municipalities, non-profits)

Project Applicant:

Applicant Address:

Name of Project Leader for Applicant:

Phone:

Fax:

E-mail:

2. BUDGET

Total project budget: \$ _____

Amount requested from CT Agriculture Viability Grants: \$

Cash amount the applicant is providing as a match: \$ _____
(must be at least 50% of total project budget)

In-kind amount the applicant is providing as a match: \$ _____
(for non-profits only, must be at least 40% of total project budget)

3a. IDENTIFICATION AND SIGN OFF PAGE (Required for Producers only)

(A) Farm Property Location (if applicable):

Address: _____

Town: _____ Zip: _____

(B) Owner of Record (if different from applicant):

Name: _____

Address: _____

Town: _____ Zip: _____

Phone: _____ Fax: _____

Applicant Signature _____

(C) Farm Name: _____

(D) Tax Permit Number _____

(E) Farmer Tax Exempt Number (if applicable) _____

(F) Describe fully the production agriculture carried out on the farm. Give acreage and quantities of the various crops grown, the number and kinds of livestock, forest products, specialty crops, greenhouse, etc.:

i. Total Acreage of Farm: _____

ii. Description of production:

(G) Do you farm: full time - _____ part time - _____ (check one)

(H) Is any of the land that you own or farm that will be associated with this proposal also in the state in the Farmland Preservation Program or under any other conservation restrictions? If yes, please state under what program and what the restrictions are.

3b. IDENTIFICATION AND SIGN OFF PAGE
(Required for Non-profits, Municipalities, and Regional planning associations only)

We require evidence that your project has been approved by the institutional official in charge of grants and contracts. If you are applying as a non-profit, the signature of an authorized official of your governing board is required. If you are applying as a municipality, the signature of an authorized executive official is required. If you are applying as a regional planning association or council of government, the signature of an authorized official of your governing board responsible for taking administrative actions is required.

Signature _____ Date: _____

Name and title of authorized individual: _____

Name of Institution, Municipality, Regional Planning Association, or Council of Government:

Address: _____

Project Leader for Applicant signature:

_____ Date: _____

If you are a registered 501 (c)(3) provide your tax i.d. # _____

List all of the partners (including producers) that have agreed to participate in your project.
NOTE: Each partner on this list must also provide a letter of support to be attached to this application.

Name	Tel:
_____	_____
Name	Tel:
_____	_____
Name	Tel:
_____	_____
Name	Tel:
_____	_____
Name	Tel:
_____	_____
Name	Tel:
_____	_____

4. PROPOSAL CHECKLIST:

Please be sure to include ALL of the following with your application; any application submitted with missing components will not be regarded as complete.

- A one page or less, **SCOPE OF WORK**, titled as such, of **EXACTLY** what you are planning to do with the grant money (your action plan). Begin with 1 or 2 sentences saying what the project is. The Scope of Work must tell us what exactly what you are asking for. You must use Attachment A.
- Grant Application Cover Sheet
- Grant Application Identification & Sign Off Page
- Letters of Support from all partners listed on the Identification & Sign Off page(may not be necessary)
- FULL business plan** (for producers or producer cooperatives) – SEE DETAILS BELOW
- FULL proposal description** (for non-profits, municipalities, and quasi-governmental planning associations) – SEE DETAILS BELOW
- Proposed Budget Page** (including specific details regarding cash and/or in-kind match)
You must use Attachment C
- If applicant is a new producer (beginning farmer), provide a statement of intent and demonstrated background in agriculture production;
- If applicant is an existing producer, provide a **CT Farmer Tax Exempt Certificate as well as previous years Schedule F, Form 1120S, or Schedule C;**
- If applicant is a registered non-profit, provide copy of Federal and State Tax ID forms;
- If proposal includes capital improvement (some type of building), provide conceptual drawing of proposal.

PLEASE NOTE THAT YOUR APPLICATION WILL BE RANKED AND GRADED ON A COMPETITIVE BASIS, BASED MAINLY ON YOUR BUSINESS PLAN OR PROPOSAL

Full Proposal Description(for non-profits, municipality): Please TRY TO use the following format when completing this portion of your proposal. *All of these must be thoroughly explained and completed in order to qualify for grant funds.*

1. Need or opportunity
2. Mission Statement of Applicant
3. Goals
4. Methods
5. Role of partners
6. Time-table
7. Prior planning, preparation, research, or work leading up to this proposal

Full Business Plan(for producer only): Please TRY TO use the following format when completing this portion of your proposal. *All of these must be thoroughly explained and completed in order to qualify for grant funds.*

1. **Introduction/Cover Sheet** - Introduction of the plan and give contact information.
2. **Mission, Strategies, etc.** - What are the central purposes and activities of the planned business? What are its major objectives, key strategies and prime goals?
3. **Present Status of Project** - Summarize achievements and performance (sales, etc.) to date (if applicable).
4. **Product Description if a production entity** - Describe product being produced or processed.
5. **Brief Profile of Target Markets** - Size, trends, competition and user/customer profiles
6. **Marketing Strategies and Sales Plans if applicable** - How will the business market its products and sell to customers? What sales will be achieved in its main markets? How will it deal with competitors? Indicate costs.
7. **Operational Plans** - Cover distribution and production activities. Indicate organization, resources, costs, etc.
8. **Financial Position and Projections** - Use simple tables to present key financial projections, profit and loss, cash flow, etc.
9. **Funding Requirements and Proposals** - Summarize funding requirements, possible sources, terms, etc. For non-profits and municipalities, if are using in-kind services as portion of match, you must address that here.
10. **Implementation** - Explain the major decision points, time scale and actions required.
11. **Conclusion** - Indicate why the project will succeed and why it should be supported.

Attachment A

Project Scope of Work for Ag Viability Grant 1 Page Maximum

The Scope will be a detailed Project Description that is to the point:

**DO NOT RAMBLE AND GENERALIZE OR THE CONTRACT WILL BE
RETURNED TO YOU**

**Do not use Acronyms; spell out the names of any groups or organizations since we
may not be familiar with them**

Use the Format Below

What...In several sentences, what exactly is your project and what will grant money be used to purchase.

Be specific, if purchasing equipment give model number and name of equipment if you will know ahead of time.

If a project is on a property, what exactly are you doing to the property and how much acreage involved.

If a building, give dimensions and if have plans, include them.

If permits needed for anything, tell us who will be obtaining permits.

Where...is the project being done? Please give exact name and address of farm or if is a municipality where in town, address, and property location.

Who...is specifically doing the contract work (a contractor, yourself). Give name, address. You must state names of specific contractors to be used.

If unsure of who will be doing work, you can say "a certified, licensed contractor and electrician, etc. will be doing the work."

When...is the work being done and what is the completion date?

Always start with "Work will begin when contract is signed----" Say how long it will take to finish and when you will complete project as long as it will not be a later date than the contract length. You can say "will finish in approximately" if you choose.

Attachment C

Farm TRANSITION Grant Budget Page (for producers and ag cooperatives)

Budget Titles (you must itemize)	Agriculture Grant monies to be used	Producer Match (Inkind / cash)
---	--	---

EXAMPLES

Personnel
Volunteers
Professional
Expenses
Equipment
Advertising

Totals _____

Total project Cost _____

Attachment C

Farm VIABILITY Grant Budget Page (for municipalities and non-profits)

Budget Titles (you must itemize)	Agriculture Grant monies to be used	Town Match (Inkind / cash)
---	--	---------------------------------------

EXAMPLES

Personnel

Volunteers

Professional

Expenses

Equipment

Advertising

Totals

Total Project Cost _____

**Connecticut
Department of Agriculture**

**Farm Reinvestment
Program
2011 Grant**

**CONNECTICUT
GROWN**



Application Deadline is April 30, 2010

CONNECTICUT DEPARTMENT OF AGRICULTURE
FARM REINVESTMENT GRANT PROGRAM

Overview

Statement of Purpose

The intent of the Farm Reinvestment Grant Program(FRP) is to strengthen the economic viability of CT agricultural producers through a comprehensive capital fixed asset/diversification program. Grants for a farm reinvestment program will be available for the expansion of or improvements to working farms in accordance with a business plan to keep the farms ongoing for at least ten years.

The FRP provides incentive financing to stimulate **production related** capital fixed asset/diversification improvements to farms that are owned or rented throughout the State of Connecticut.

Program Priorities

The focus of the FRP is to provide seed money to enhance existing agricultural operations and to provide a stimulus to the local and state economies. This will be accomplished by increased building of agricultural production facilities, thus creating some construction-related jobs. Most important, the completed projects should dramatically improve the operation's cash flow which would further strengthen the economy, create new jobs, and even municipal grand list growth. This program is designed to help farmers diversify into other production areas and expand existing production facilities via capital improvements.

Financial Description

A \$500,000 bond authorization will be administered as a grant not to exceed a \$40,000 state match per applicant. The private matching funds can exceed 50 percent or more of the cost of the project. The private match can be either a bank loan or self-funded.

The state match will be in the form of a rebate for approved projects. The rebate applies to approved expansion or diversification of agricultural production facilities.

Generally speaking, the FRP rebate applies to the expense of materials and wages for capital fixed asset improvements and does not pertain to the cost of purchasing property or borrowing funds. The FRP can work in conjunction with projects that secure bank financing and projects that are self-financed.

Agricultural producers and property owners may work with their lenders of choice to arrange suitable financing; be it a commercial mortgage, signature loan, home equity loan, personal or business line of credit.

Alternatively, personal finances may be used to pay for the producer share of the match, which could exceed 50 percent.

The FRP rebate will be paid after the project is completed, in accordance with the approved application, contract terms have been complied with, and the project has been approved by the Commissioner of Agriculture. In the case where a financial institution is involved, the rebate may be paid directly to the lender and used to reduce loan principal. In the instances where a bank is not involved, the funds will be issued directly to the applicant upon completion and approval of the project.

Eligible Applicants

1. Agricultural **producers**, singularly or jointly, whether such producers are owners or tenants of existing agricultural production facilities located within the State of Connecticut;
2. A **Project Scope of Work** must be submitted. This is a one page action description of what exactly the project is and what exactly the grant money will be used for.
3. Applicant's operation must meet the **definition of agriculture** as codified in Connecticut General Statute Section 1-1(q);
4. Applicant must submit **Schedule F, Form 1120S or Schedule C** for three years prior to date of application;
5. Applicant must provide a **business plan**, demonstrating how the agricultural production facility will remain ongoing for at least ten years and show what impact the improvements will have on his or her business via projected increased sales, additional jobs, local taxes, etc. The **business plan should follow the format prescribed in Attachment A, including a Project Budget Page (you must use Attachment C for this)**;
6. Applicant must provide **conceptual construction drawings**;
7. Applicant must possess a current **farmers tax exempt permit**;
8. Applicant must be responsible for **securing and complying with all necessary zoning, inland wetland, building and other permits** as required prior to receiving grant;
9. Upon completion of project, applicant must **provide an audit** by a Certified Public

Accountant, a lending institution or a agricultural advisory institution.

10. Applicant must agree to **sign a contract** with the state which includes provisions for reimbursement of any funds obtained by fraud, Section 4a-60 of the General Statutes of Connecticut;
- 11 Applicant must agree to a site inspection prior to final approval or rejection of his or her application. If the application is approved and monies are awarded, the applicant must agree to site inspections during the construction phase of the project.
- 12 The Department of Agriculture reserves the right to reject any proposals not in the best interest of the State of Connecticut.

Eligible Capital fixed asset/Diversification Projects

FRP funds and matching funds must be used for projects that are defined as capital fixed assets and have a life of ten years or more. The funds may be used for the expansion of existing agricultural production facilities, or diversification -- expansion into new production areas and site improvements related to such expansion or diversification.

Ineligible Expenses

Ineligible expenses are those not specifically stated under eligible expenses such as, but not limited to, the following:

1. Any expense incurred prior to application submittal, review and approval, and contract execution and approval;
2. Property acquisition/mortgages;
3. Mortgage refinancing;
4. Cost of borrowing (points and other fees);
5. Site plan and construction permits;
6. Wages paid to applicant or employees;
7. Furnishings, fixtures, equipment or items considered personal property;
8. Machine storage, workshops, housing, classrooms, offices, etc.;
9. Any portion of expense for which the applicant pays a contractor in merchandise or service in lieu of cash;
9. Attorneys' fees, consultants' fees;
10. Fees or costs not consistent with eligible costs;

Funding Commitment

An applicant shall have up to one year from the date the contract is approved by the Attorney General's Office to complete the project. Failure to complete the project within one year will

result in withdrawal of grant rebate.

Within 60 days of the date of funding commitment, the applicant shall provide a written progress report that documents the status of the project or communicate directly with the grant manager as to the status.

The FRP state grant coordinator or any other agent of the Commissioner of Agriculture may make periodic visits to the project site during the construction period. Upon completion of the project, a final inspection of the project will be made. The Commissioner of Agriculture will review the project and then authorize the payment either to the applicant or the applicant's lender.

Information contained in the application and contract for the Farm Reinvestment Grant Program funds with certain exceptions, are available to the public upon request.

CONNECTICUT DEPARTMENT OF AGRICULTURE

2010 FARM REINVESTMENT PROGRAM GRANT APPLICATION

Please Type or Print in Ballpoint Pen

Amount Requested: \$ _____

Amount You Will Match: \$ _____

1. (A) Applicant(s)

Name _____ email _____

Mailing Address: _____

Town: _____ Zip: _____

(B) Home Phone: _____ Work Phone: _____ Fax: _____

Contact Person (if different from applicant): _____

Email _____

Contact Person's Phone: _____ Fax: _____

2. (A) Farm Property Location (if different from one above):

Address: _____

Town: _____ Zip: _____

(B) Owner of Record (if different from applicant):

Name: _____

Address: _____ Town _____ Zip _____

Phone: _____ Fax _____ email _____

(C) Farm Name: _____

(D) Farmers Tax Exempt Number _____

3. In one or two sentences, please describe the proposed project. _____

4. Describe the production agriculture carried out on the farm. Give acreage and quantities of the various crops grown, the number and kinds of livestock, forest products, specialty crops, greenhouse, etc.:

Total Acreage of Farm: _____ acres;

Description of production: _____

5.(A) Do you farm: full time - _____ part time - _____ (check one)

(B) Current employment provided by the farm operation:

(i) Owner operator(s)_____

(ii) Employees: full-time_____part-time_____seasonal_____

(iii) Family help:full-time_____part-time_____seasonal_____

(C) Expected increase in number of farm employees upon project completion:

Employees: full-time_____part-time_____seasonal_____

6. Is the land you propose to build on in the Farmland Preservation Program or under any other conservation restrictions? Yes_____ No_____

7. Will construction process be contracted out?_____ Self constructed?_____ Combination_____

Explain:_____

8. Will this project be financed by a secured loan? (Yes or No)_____ If yes, specify which lending institution:_____

Signature(s):_____date:_____

The following must be attached to application:

1. Business plan
2. Conceptual drawing of project
3. Project Scope of Work—(a one page action plan description of your project) You must use Attachment A for this.
4. Tax map identifying project location
5. Last three years of Schedule F, Form 1120S, or Schedule C
6. Copy of Farmers Tax Exempt Certificate
7. (if applicable) If land is under CT Farmland Preservation restrictions or any other conservation restrictions, a permission letter from Commissioner of Agriculture or appropriate authority will be necessary.
8. Project Budget Page (you must use Attachment C)

Please call Ron Olsen at (860) 713-2550 with any questions.

Attachment A

Project Scope of Work for Farm Reinvestment Grant 1 Page Maximum

The Scope will be a detailed Project Description that is to the point:

**DO NOT RAMBLE AND GENERALIZE OR THE CONTRACT WILL BE RETURNED
TO YOU**

**Do not use Acronyms; spell out the names of any groups or organizations since we may not
be familiar with them**

Use the Format Below

What...In several sentences, what exactly is your project and what will grant money be used to purchase.

Be specific, if purchasing equipment give model number and name of equipment if you will know ahead of time. If a project on a property, what exactly are you doing to the property and how much acreage involved. If a building, give dimensions and if have plans, include them. If permits needed for anything, tell us who will be obtaining permits.

Where...is the project being done? Please give exact name and address of farm or if is a municipality where in town, address, and property location.

Who...is specifically doing the contract work (a contractor, yourself). Give name, address. You must state names of specific contractors to be used. If unsure of who will be doing work, you can say "a certified, licensed contractor and electrician, etc. will be doing the work."

When...is the work being done and what is the completion date?

Always start with "Work will begin when contract is signed----" Say how long it will take to finish and when you will complete project as long as it will not be a later date than the contract length. You can say "will finish in approximately" if you choose.

Connecticut Department of Agriculture

Farm Reinvestment Program Grant

Farm Business Plan

Please try to use the following format when completing the **Farm Business Plan** required to be submitted with the application for a grant under the **Farm Reinvestment Program Grant**. The categories must be thoroughly explained and completed in order to qualify for the grant funds.

1. Introduction

Introduction of the plan and give contact information.

2. Mission, Strategies, etc.

What are the central purposes and activities of the planned business? What are its major objectives, key strategies and prime goals?

3. Present Status of Project

Summarize achievements and performance (sales, etc.) to date.

4. Product Description if a production entity

Describe product being produced or processed

5. Brief Profile of Target Markets

Size, trends, competition and user/customer profiles

6. Marketing Strategies and Sales Plans if applicable

How will the business market its products and sell to customers? What sales will be achieved in its main markets? How will it deal with competitors? Indicate costs.

7. Operational Plans

Cover distribution and production activities. Indicate organization, resources, costings, etc.

8. Financial Position and Projections

Use simple tables to present key financial projections, profit and loss, cashflow, etc.

9. Funding Requirements and Proposals

Summarize funding requirements, possible sources, terms, etc.

10. Implementation

Explain the major decision points, time scale and actions required.

11. Conclusion

Indicate why the project will succeed and why it should be supported, with projections.

Attachment C

Farm Reinvestment Grant Budget Page

Budget Titles (you must itemize)	State Agriculture Grant monies to be used	Producer Match
---	--	-----------------------

EXAMPLES

**Expenses
Equipment**

Totals _____

Total Project Cost _____

Assessing Agricultural Greenhouses: Guidelines for Connecticut Municipal Tax Assessors

Background

The greenhouse/nursery/floral industries make up the largest segment of Connecticut agriculture, producing well over \$900 million in annual sales of Connecticut-grown

plants and flowers. [Total agricultural production in Connecticut is estimated at nearly \$2 billion.]

In the greenhouse industry alone, there are nearly 300 businesses where being a greenhouse grower is a full-time occupation. These operations are found in almost all of the state's 169 towns.

History of Assessing Greenhouses in Connecticut

Except for Sec. 12-81(73) of the Connecticut General Statutes (explained below under "exempting"), there are no uniform state laws, regulations or codes governing how

towns shall assess commercial greenhouses, except those governing agriculture generally.

This has created a problem when one business has opened greenhouses in multiple towns -- the same greenhouse structure has been assessed differently by different towns.

Unfortunately, many assessors rely on national guides such as Marshall & Swift, which publish values for greenhouses that sometimes far exceed the cost of new construction within Connecticut.

Some farming groups have pushed for standardizing greenhouse taxation by statute. In a 1996 survey by CGGA of local tax assessors, an overwhelming majority of assessors supported uniformity.

These suggested, voluntary guidelines are provided to assist the local assessor as he/she evaluates this important part of Connecticut agriculture.

Is It Agriculture?

As the greenhouse industry rose in stature within American agriculture over the past 20 years, both the federal and state government moved to include it within their definitions of

agriculture so that greenhouse growers could take advantage of the favorable exemptions and treatments afforded other farming occupations.

An agricultural greenhouse range and the land it sits on should be considered an agricultural area by every Connecticut municipality. Greenhouse crops are plants or flowers grown in soil or other media for both eating purposes (vegetables) and for aesthetic purposes (flowering plants, green plants). Some operations also grow "plugs" or

propagate cuttings from plants which are sold wholesale to other greenhouse growers to

produce the final plant, commonly called "finished material".

Page Two

Exempting Greenhouse Structures

Several Connecticut towns have elected to exempt altogether agricultural

greenhouse structures from their local tax rolls because of their strict agricultural purpose and because of recent language added to the state statutes. Some towns exempt the greenhouse but tax the equipment.

In 1991, the Connecticut General Assembly passed a law totally exempting greenhouses defined as follows (actual language from current statutes):

“Sec. 12-81 Exemptions. The following described property shall be exempt from taxation: (73) Temporary devices or structures used in the seasonal production, storage or protection of plants or plant material including, but not limited to, hoop houses, poly houses, high tunnels, overwintering structures, and shade houses.”

The statute quoted above leaves open to interpretation by the local tax assessor what he/she considers “temporary”, “seasonal”, and “including, but not limited to.” Some Connecticut towns have chosen to construe Sec. 12-81 as applying to all agricultural greenhouses, and until the legislature further defines the terms in this section, local assessors

are free to apply their own interpretation.

The driving force behind Section 12-81’s passage into law was the Connecticut Nurserymen’s Association intent on exempting overwintering greenhouses that protect nursery stock primarily from winter weather.

Are Agricultural Greenhouses Real Estate or Equipment?

Agricultural greenhouses are not real estate in the truest sense of the term. Local assessors must distinguish between agricultural greenhouses which support agriculture as a

trade, and residential greenhouses which are attached to private homes to enhance the home and plant hobbyist. The agricultural greenhouse grower should have a farmer’s tax

exemption permit issued by the Connecticut Department of Revenue Services.

Most agricultural greenhouse structures are temporary, single-use (lasting less than 20 years). Agricultural greenhouses never appreciate in value—in fact, they depreciate in value from the first day they are constructed. Used agricultural greenhouses are occasionally torn down, moved, and sold to another grower, in which case the buyer always pays substantially less than new construction value.

The hoop house covered with plastic is the most common greenhouse structure in Connecticut, preferred by growers for its low cost. The plastic coverings that make up the

greenhouse walls normally do not last beyond four years.

Greenhouses basically are to plants what the tractor is to an open corn field. They provide the means for growth of the agricultural product.

Valuating the Agricultural Greenhouse

The most unbiased way of assessing greenhouse values is to find out what the grower actually paid to construct or modify the greenhouse and equip it, less depreciation

according to established schedules.

The following chart, “Connecticut Agricultural Greenhouse Costs - 2003”, should be

used as a rough guide to assessors when documented construction costs are not available.

CONNECTICUT AGRICULTURAL GREENHOUSE CONSTRUCTION COSTS - 2003

P.O. Box 415, Botsford CT. 06404
203-261-9067

A Guide of Estimated Figures for Tax Assessors

ERECTION

Materials Labor Cost* Total

\$/sq.ft. \$/sq.ft. \$/sq.ft.

Conventional Glass Greenhouse.....6.00-10.00..... 2.00-2.50..... 8.00-12.50

Concrete foundation-galvanized
frame-truss roof

Ridge & Furrow Greenhouse..... 2.50-3.00..... 1.50-2.25..... 4.00-5.25

Concrete piers-galvanized steel frame
double poly covering

Steel Pipe Arch Greenhouse..... 4.50-5.50..... 1.00-1.25..... 5.50-6.75

Pipe foundation-1-1 /4" galvanized
pipe-polycarbonate structured
sheet glazing

Steel Pipe Arch Greenhouse..... 1.50-2.50..... 0.75-1.00..... 2.25-3.50

Poly cover-pipe foundation-
1-1/4" galvanized pipe

Rigid Frame Wood Greenhouse..... 1.00-1.50..... 0.75-1.00.....1.75-2.50

Poly cover-wood post foundationclear
span

ENVIRONMENTAL CONTROL

(\$/sq.ft. of Greenhouse Floor Area, including labor*)

Ventilation

Fans with shutter, thermostat, and housing..... 0.50-1.00

Heating

Oil- or gas-fired hot air.....0.50-0.75

Oil- or gas-fired steam or hot water.....1.00-3.00

Electric

Supply; materials and labor..... 0.40-1.00

Water

Materials and labor..... 0.15-0.75

Heat Retention System

Manual/Motorized..... 0.80-1.00

Environment Control Computer.....0.50-1.25

Benches..... 0.50-3.00

*For amateur workmanship or work done by grower staff, deduct 25%-35%.

Types of Agricultural Greenhouses

Conventional glass

("Dutch" range below)

Ridge & Furrow

(gutter-connect)

Steel Pipe Arch

polycarbonate glazing

Steel Pipe Arch

poly (plastic) cover

Business Plan Sources

Small Business Development Center

Milena Erwin-Business Development Advisor

860-270-8078

erwinmis@ccsu.edu

First Pioneer Farm Credit—Enfield---860-741-4380

CT Cooperative Extension County Offices

Fiscal Benefits: Farm and Forest Lands Help Maintain Lower Property Taxes

Cost of Community Services (COCS) studies use municipal data to determine the fiscal contribution of various local land uses. These case studies compare the cost of municipal services needed for farm and forest land, residential, and commercial and industrial property to the revenues generated from these lands. Over 20 years of COCS studies around the country have shown that farmland and other open space generate more public revenue than they require in municipal services. Even when farmland is assessed at its current agricultural use value under *Public Act 490*, farmland generates a surplus to help offset the shortfall created by residential demand for public services.⁶ A review of COCS research in eight Connecticut towns shows that for each dollar of property tax revenue generated by working lands, on average only 31 cents is required in municipal services.

In 2007, the town of Lebanon undertook a build-out analysis to understand the impacts of development based on current land use regulations, including the fiscal impact of this development. The study determined that in 10 years, with a 10 percent growth rate, the town would need to increase taxes to cover an additional \$2.2 million in community services required by the new growth.

Cost to Provide Community Services per Dollar of Revenue Raised⁷

Town (year of study)	Residential	Commercial and Industrial	Working and Open Land
Bolton (1998)	1.05	0.23	0.50
Brooklyn (2002)	1.09	0.17	0.30
Durham (1995)	1.07	0.27	0.23
Farmington (1995)	1.33	0.32	0.31
Lebanon (2007)	1.12	0.16	0.17
Litchfield (1995)	1.11	0.34	0.34
Pomfret (1995)	1.06	0.27	0.86
Windham (2002)	1.15	0.24	0.19
Median	1.11	0.26	0.31
U.S. Median	1.19	0.29	0.37

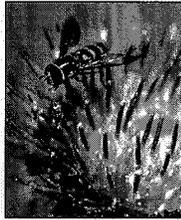
Maple Syrup and Honey

Includes: raw honey, comb honey, beeswax candles, maple syrup, candy and sugar.

- Connecticut farmers produce approximately 11,000 gallons of maple syrup each year.
- There are 62,000 taps for maple syrup in the state.
- Connecticut has approximately 125 farms that sell 132,000 pounds of honey each year.

As many as 40 gallons of sap are needed to make 1 gallon of maple syrup.

Connecticut Department of Agriculture, 2007; NASS New England, 2005.



Meat

Includes: lamb, beef, pork, goat and veal.

- There are 67 meat producers in Connecticut.
- Many other farms raise sheep and goats for milk and fiber; the state is home to more than 5,000 sheep and 2,500 goats.

Locally raised meat is available at farmers' markets, farm stands and farm stores throughout the year.

Connecticut Department of Agriculture, 2007.

CERT-115

Exempt Purchases of Gas, Electricity, and Heating Fuel

General Purpose: This certificate is used by the purchaser of: gas, including bottled gas; electricity when delivered to consumers through mains, lines, pipes, or bottles; or heating fuel for use:

- In any residential dwelling when the meter through which the gas, electricity, or heating fuel is measured furnishes gas, electricity, or heating fuel for both residential and non-residential purposes. (If a building is used solely for housing, the consumer need not provide this certificate to make exempt purchases of gas, electricity, or heating fuel.);
- Directly in agricultural production provided the exemption is allowed only for a metered building, location, or premises at which not less than 75% of the gas, electricity, or heating fuel consumed at the building, location, or premises is used for agricultural production;
- Directly in the fabrication of a finished product to be sold provided the exemption is allowed only for a metered building, location, or premises at which not less than 75% of the gas, electricity, or heating fuel consumed at the building, location, or premises is used for fabrication; **or**
- Directly in an industrial manufacturing plant provided the exemption is allowed only for a metered building, location, or premises at which not less than 75% of the gas, electricity, or heating fuel consumed at the building, location, or premises is used for manufacturing.

If the gas, electricity, or heating fuel is not used in the manner described above, the purchaser who claimed an exemption owes use tax on the total price of the gas, electricity, or heating fuel purchased under this exemption.

Statutory Authority: Conn. Gen. Stat. §§12-412(1), 12-412(3)(A), 12-412(5), 12-412(8), 12-412(16), and 12-412h.

Instructions for the Purchaser: This certificate is used by:

- An owner of a commercial building at which the gas, electricity, or heating fuel is used predominantly (more than 50%) for residential purposes; **or**
- An owner or officer of an establishment that uses the gas, electricity, or heating fuel in a location at which (A) agricultural production; (B) the fabrication of a finished product to be sold; or (C) production in an industrial manufacturing plant takes place.

The certificate advises the seller of gas, electricity, or heating fuel that the purchase is exempt. Keep a copy of the certificate and records that substantiate the information entered on this certificate for at least six years from the date it is issued. If you do not have a Connecticut tax registration number, enter the tax registration number assigned by another state and identify the state.

Instructions for the Seller: Acceptance of this certificate, when properly completed, relieves the seller from the burden of proving that the sale and storage, use, or other consumption of the gas, electricity, or heating fuel is not subject to sales and use taxes. The certificate is valid only if taken in good faith from the owner of a commercial building at which the gas, electricity, or heating fuel is used predominantly (more than 50%) for residential purposes; or the owner or officer of an establishment that uses the gas, electricity, or heating fuel in a location at which (A) agricultural production; (B) the fabrication of a finished product to be sold; or (C) production in an industrial manufacturing plant takes place. For example, the good faith of the seller will be questioned if the seller knows of facts that suggest the purchaser is not purchasing gas, electricity, or heating fuel for use in the portion of the building in which a finished product to be sold is fabricated. Keep this certificate and bills or invoices to the purchaser for at least six years from the date of the purchase. The bills, invoices, or records covering all purchases made under this certificate must be marked to indicate this was an exempt purchase. The words "Exempt under CERT-115" satisfy the requirement.

This certificate is a “blanket certificate” covering all purchases of gas, electricity, or heating fuel made under it. A blanket certificate remains in effect for a three-year period unless the purchaser revokes it in writing before the period expires.

For More Information: Call Taxpayer Services at 1-800-382-9463 (in-state) or 860-297-5962 (from anywhere). **TTY, TDD, and Text Telephone users** only may transmit inquiries anytime by calling 860-297-4911. Preview and download forms and publications from the DRS Web site at **www.ct.gov/DRS**

Explanation of Why Your Taxes Go Up Or Down

Grand List—Is an inventory of all taxable property (and exempt property) in your town. It is how a town generates revenue to run the town. It is what your overall tax rate is based on. A town also receives federal and state grants, receipts from licenses and fees, as part of its total income. The property tax rate is the rate that when multiplied by the assessed value of all taxable property, will produce the revenue needed to balance the budget. Each year's grand list is categorized into 3 categories; Real Estate, Motor Vehicle and Personal Property. The assessor maintains property cards for each parcel of real estate located in a town.

GENERALLY, IF THE GRAND LIST IN YOUR TOWN INCREASES, THE MILL RATE WILL PROBABLY GO DOWN BECAUSE THERE IS MORE REVENUE COMING INTO THE TOWN COFFERS, IF THE GRAND LIST DECREASES, THE MILL RATE WILL GO UP.

Assessed Value—All property is assessed at 70% of its fair market value and this value is what you will be taxed on.

Mill Rate—Is how your property tax rate is expressed in Connecticut. For example, a tax rate of 25 mills means that you pay \$25 for each \$1,000 of your taxable property's assessed value.

Ex) fair market value of your home is \$100,000. The mill rate of your town is 25 mills.

$\$100,000 \times .70 = \$70,000$ (assessed value)

$\$70,000 \times .025 = \$1,750$ is your annual property tax.

Revaluation—Is supposed to be done at least once every 5 years. It is the process of determining what the Fair Market Value is for all properties in your town. Again, your taxes on these properties will be based on 70% of the Fair Market Value called the assessed value.

How a mill rate is determined.

The Board of Selectmen meets to determine what the new budget figure is and will include all town salaries, the school budget, any equipment and other purchases needed, etc. Then all other revenues such as federal and state grants are deducted, leaving the amount that needs to be raised by taxes if there is a deficit. Your mill rate is determined from this amount.

After a revaluation, the assessed value of your property (house and land) may rise, however, that does not mean you will be paying higher taxes. Remember, the tax you pay will be based on the mill rate, and if the assessed values in your town rise, the Grand List will rise and your mill rate will go down. This means you may be paying the same in taxes even though the assessed property value of your home has increased.

Farm Stands- Zoning and Building Code Considerations

Jim Gibbons-Cooperative Extension Educator

A common sight along roads in the summer is the farm stand. People like to shop at roadside farm stands to obtain fresh, high-quality, locally-grown produce. Farmers turn to farm stands as a way of bypassing the middleman and selling directly to the consumers. While many people view the farm stand as an American institution representing the rural character of a community, others view them as commercial uses that should be regulated as to location, items sold, on-site characteristics and hours of operation. This paper looks at roadside stands from the perspective of local officials, such as zoning commissioners, as well as those contemplating opening a farm stand.

Zoning and Farm Stands

Zoning regulations in Connecticut have traditionally favored agricultural uses. During the 1940s and 1950s when most communities adopted zoning regulations, farming and associated activities were generally permitted as a right in all zoning districts. Even in the more urban municipalities, agriculture was generally an accepted land use with few, if any, restrictions.

Farming, agriculture and farm stands are activities that zoning regulations either permit by right, with conditions or prohibit. They are activities that are either allowed in all zoning districts or delegated to certain districts. Most communities have established residential, commercial and industrial zoning districts. However, few have exclusive agricultural zones. This is important because unless a community has an agricultural district, farming and farm related activities such as farm stands, even where permitted, are usually treated as secondary or subordinate to the major land use in the district.

Some commissions feel that farm stands are true commercial uses and should be limited to commercial zones as any other retail outlet. Other communities are concerned with farm stand traffic, off street parking, noise, dust, lighting, signs and hours of operation. The size of the stand and type of products sold are also areas of concern. Roadside sales of agricultural products can range in size from youths selling vegetables on a fold up card table, to a simple wooden shed, to a substantial building affording light, heat and ventilation manned by dozens of full time employees selling a variety of natural and man-made products.

While everyone has their own image of the ideal farm stand, it is important for land use regulatory boards to define stands and set standards for their operation. With increased emphasis on direct marketing of agricultural produce, roadside stands will continue to be popular. The goal should be to allow farm stands where possible, yet establish reasonable standards to lessen any negative impacts they might have on the neighborhood and community.

Definitions

Local zoning commissions can develop their own definition for uses such as farming and farm stands. Local definitions are what the courts analyze when they review local zoning decisions. As a zoning commission has wide latitude in defining terms found within their regulations, it is important to review your community's zoning regulations to determine how farm stands are defined and where they are permitted, if at all. While many towns allow roadside farm stands, few zoning regulations actually define them. For purposes of discussion, the following definitions of farm retail outlets are offered:

Farm Stand-a small, often open-air structure, situated at the side of a road in which agricultural products are publicly displayed and offered for sale. Its use is generally seasonal.

Roadside Market-a building, generally used year round, in which fruits, vegetables, other agricultural products, handicrafts or hard goods are offered for sale.

Garden Center-a building and outside sales areas in which annual plants, potted plants, nursery stock, fertilizer, pesticides, tools or related items are offered for sale.

Greenhouse-a structure, covered with transparent material that utilizes solar radiant energy to grow plants. These structures have heating and ventilating equipment for the purpose of optimum temperature control.

Overwintering Structure (hoop house)-a wood or metal frame covered with translucent material, such as white polyethylene plastic, used solely to protect nursery stock, herbaceous perennials and perennial herbs from wind and extreme temperatures during the winter season.

High Tunnel-a wood or metal frame covered with a transparent material and used over field grown, row crops to modify the environment and extend the growing season.

Shade House-a wood or metal frame covered with screen or lath material used primarily to provide shading for plants.

Greenhouses come under the Miscellaneous Section of the State Building Code and require a building permit. They are also taxable. Structures that are used to protect plants for short periods of time and do not contain a permanent heating or fan ventilation system are considered temporary structures and are exempt from taxation. Any structure, farm stand or greenhouse to which the public has access, comes under the mercantile section of the State Building Code. The code addresses materials that can be used, egress, handicapped access, electrical and heating system safety.

Items Sold

Historically, farmers would erect stands near the road to sell the products of their land to persons passing on the public way or to customers attracted by advertising. Such stands seem to be clearly commercial uses. However, they have been distinguished from other retail businesses by the fact that the products sold were raised on the land on which the stand is located. Based on this, many zoning

regulations limit what might be sold at the stands to agricultural products grown on the property on which they are sold. Other regulations stipulate a certain percent of the products sold must be grown on the land where the stand is located. Others provide that products sold must be grown on the site of the stand, on adjacent contiguous parcels or other agricultural parcels in the county or state owned or leased by the owner of the site on which the stand is located. Still other community's mandate that sales be limited to locally, regionally or state grown produce.

Some communities limit sales to crops. Others permit a wider range including meat products and handcrafts. Some permit manufactured products such as ice cream made from milk produced on the farm. Other "improved" products one might want to sell at farm stands include dressed, cured or packed meat; dried herbs and flowers; churned butter and cheese; and bottled or packaged products such as relishes, dressings, jams, jellies, maple syrup and honey.

While limiting sales to produce grown on the farm might seem simple enough, it can cause problems for zoning enforcement officers. Trying to determine the origin of a particular bushel of corn or jar of honey may prove impractical to a zoning enforcement officer who generally deals with issues such as the correct placement of structures on a lot.

Size of Stand

The size of the stand will depend on the grower's type and scale of operation. Some stands are nothing more than tables or wheelbarrows filled with produce. Others use horse drawn wagons or push carts that are filled with produce each morning and removed from the roadside at night.

The more typical stand consists of a simple wood frame construction ranging in size from a 10 ft by 10 ft shed to more elaborate buildings of 2,000 square feet or more. Many stands are sheds built on skids so that they can easily be removed after the harvest season. Most towns that permit roadside stands set limits on their size.

Some regulations state that the stand shall contain no space for customers within the structure itself. Others permit stands within existing barns or accessory buildings, as long as the modification will retain or improve the structure's appearance. Some towns limit the materials of which the stand can be made, i.e. wood.

Setback Requirements

Most regulations require that the farm stand be setback from the public right of way or property lines. Setback requirements vary from 10 to 200 feet. Some regulations state that farm stands shall conform to the setback requirements for all structures within the zoning district. Some communities require that the stand be set back from dwellings on adjacent lots, wetlands, road intersections, etc. Setback requirements often apply to signs as well as the stand.

Signs

Farm stand regulations should also address the issue of signs. Some communities limit the number, type, location and size of signs. From the farmer's perspective, signs are important to let customers know they exist and what is sold. Often a colorful sign that is easily read is ideal. Signs shaped like the fruit or vegetables sold are often effective.

One Connecticut town limits the number of farm stand signs to two, not aggregating over 12 square feet which must be located on the stand's premises and set back 10 feet from the public right-of-way.

Parking

Inadequate or unsafe off-street parking is a common problem at many roadside stands. Parking spaces should be planned before the stand is established. The direction and volume of traffic as well as the provision of safe entrances and exits should also be considered. A permit may be required from the town if located on a town road or from the Department of Transportation if it is on a state highway.

Parking spaces or areas should be marked rather than letting customers park anywhere. Adequate space between and behind the cars should be provided so that doors and trunks can be opened to load purchases.

Traditionally, parking spaces are designed at a minimum width of 9 or 10 feet with lengths from 18 to 20 feet. Some communities have reduced parking space requirements to reflect the popularity of small cars. Los Angeles, for example, now permits parking stalls of 8 feet 4 inches by 18 feet. Ample parking should be a major concern for roadside stand operators as shoppers are less likely to stop if there is no safe, convenient parking area. The Great Lakes Fruit Growers Association offers the following standards to determine the number of spaces required:

1. Allow a ratio of 4 square feet of parking space for each square foot of stand size. For example a 10 x 20 foot stand (200 sq ft) would require 800 sq ft of parking or 4 -10 x 20 stalls.
2. Allocate one parking space for each \$100 sale.
3. Provide 15 parking spaces for each 100 cars expected daily.
4. Numbers 2 and 3 above might help the stand owner plan parking space but are more difficult for local zoning commissions to administer. Another standard that might be useful is to provide a minimum of three off-street parking spaces for each stand and one additional space for each 100 sq ft of stand.

Parking at 90 degrees to a curb accommodates the most cars on a lot. However, this arrangement encourages two-way traffic; as the spaces can be entered equally well from either direction.

To encourage a well-defined internal one-way traffic flow where all cars enter and exit the site at designated locations, smaller angle parking at 45 to 60 degrees should be provided. Barriers should be established to prevent people from driving or parking where you don't want them. To prevent cars from rolling or getting stuck in the mud, parking spaces should be level and well drained. Some communities require that the parking spaces be paved or of a dustless surface.

Dust, Odor, Noise and Light Generation

Communities are concerned with the impact various uses will have on the neighborhood and community. Particular attention should be given to the effect of the farm stand on the adjacent properties regarding the following:

Dust-parking areas and access driveways to the farm stand should be graveled or paved. Areas around the stand should be maintained in lawns.

Odor-proper disposal, preferably composting, should be made of unsold produce, garden waste, dead plants and material from cider operations.

Noise-compressors, fans, pumps and other motorized equipment should be located or shielded to reduce noise levels. Parking lots can be buffered to contain auto traffic noise.

Drainage-rainwater from roof areas and paved parking areas should be directed so as not to impact adjoining property.

Light-where night operation is planned or the stand is lighted at night for security, indirect and shielded lighting should be used.

Appearance

A person contemplating a farm stand should plan the layout of the stand before erecting the building or establishing a parking area. Consideration should be given to whether electricity or water will be needed and if some activity areas should be screened from public view. Storage, refrigeration and checkout areas should be planned for maximum efficiency. For example, to help prevent lines backing up at the checkout, a reserve area with another cash register or cigar box can be set up.

People like to buy food from an operation that is clean and well maintained. However, good quality produce-not décor-is what customers ultimately buy. Produce can be used to attract customers. If a stand has an early crop of sweet corn, potential customers should see that corn attractively displayed on easy to reach shelves. Trash cans and cigarette disposal containers placed in front of the stand or by the door help reduce on-site litter.

Permits Required

Some communities allow farm stands in all districts as a permitted use requiring no zoning applications or permits. Other towns limit stands to certain zones. Many regulations require that all stands obtain a permit from the zoning enforcement officer after submitting a simple sketch plan and/or require a site visit to determine site suitability. In many communities, the operator must submit a list of products to be sold with hours and dates of intended operation. Some communities issue annual permits while others require only one application which is valid unless there is a change in the farm stand operation.

Some communities require more detailed site plans requiring the assistance of an engineer, soil scientist or land planner. It is also important to contact the local building inspector to obtain any required building permits. The State Department of Agriculture, Department of Consumer Protection, local Health Department and the Department of Revenue Services should also be contacted to ensure the stand complies with all state regulations regarding the sale of food and nonfood items.

Connecticut Department of Revenue Services



STATE OF CONNECTICUT DEPARTMENT OF REVENUE SERVICES

25 Sigourney Street
Hartford CT 06106-5032

[.pdf version](#)

Please Note:

Effective October 1, 2009, recent legislation increased the Department of Revenue Services' license and permit fees. The new fees for the most common licenses and permits are as follows:

Sales and Use Tax Permit: \$100
Room Occupancy Tax Permit: \$100
Cigarette Dealers' License: \$50

NOTE: The Department's Hartford Office provides walk-in assistance. However, the Department's regional offices in Bridgeport, Hamden, Norwich and Waterbury are no longer open for walk-in traffic.

IP 2006(11)

Getting Started in Business

Note: this publication is available only in [.pdf format](#).

Will The Zoning Commission Approve Your Greenhouse Project?

If you are expanding your greenhouse operation or building a new one, you will need zoning approval. In some communities, especially smaller ones, this may be easy to obtain. In others, it may require a considerable expenditure in time and dollars. It usually depends on how well prepared you are, the complexity of the regulations and the feelings of your neighbors toward your business.

Many people don't think of greenhouses as part of agriculture but they are usually included under the definition of agriculture in State Statute. This is important as most communities that don't have a special zone for agriculture attempt to include them under a commercial classification. Considering greenhouses as agricultural allows them to be built in most zones including residential.

Applying for a zoning permit

When applying for a zoning permit, do your homework. First, educate the zoning enforcement officer and the zoning commission members about what a greenhouse is and what you grow. You will probably find that most members have never been in a greenhouse.

Second, provide the information required by the regulations. If you meet the requirements in the regulations, it is very difficult for the commission to deny your application. Zoning deals with land use. The information that can be required includes a site plan showing the location of the greenhouse on the property and its relation to other structures and property lines. You may also have to address traffic flow, parking, buffers, signs and chemicals to be used and stored.

The site plan, generally prepared by a surveyor, should show contours and all physical features including ponds, streams, wetlands and the flow of runoff.

The present buildings and the proposed new greenhouse should be shown. Including areas of future expansion on the plan has saved some grower's considerable time when the next phase of expansion occurs. As commission makeup changes frequently members may consider subsequent phases as having already been approved in concept by the previous commission.

Third, don't try to intimidate the Commission. These are volunteers that serve the community without pay. They spend their evenings attending meetings to oversee the orderly development of the community. Having served as a member of the local Planning and Zoning Commission for over 30 years, I have seen many applications presented. Commission members are much more receptive to a proposal that is concise and addresses the issues as they relate to the regulations.

Hearings

A public hearing may be required to get the permit. At the hearing interested neighbors may voice concerns that they would like to have addressed. Try to anticipate these questions and have a prepared answer for them. Typical questions raised include:

- How will the proposed greenhouse affect property values?
- Will traffic increase?

- What pesticides will be used and what is their persistence?
- How will the runoff from the greenhouse and additional parking be handled?
- Will there be noise pollution from fans, trucks, materials handling equipment, etc?
- What are the hours of operation?

Approval or Denial of your application

If your application is approved, you are ready to apply for a building permit.

If your application is denied by the Commission they should cite the reasons for denial. You can then appeal this to the court. The court will review the denial to see if there was an error in the procedure or interpretation of the regulations. Generally the court will uphold a Commission decision if they followed the requirements in their regulations and they made a reasonable judgement.

Where the court will generally find for the applicant is if the Commission has violated the procedures. These include failure to post the notices in a timely manner, failure to file for public view of information pertaining to the application, failure of a member with a conflict of interest to disqualify himself or herself and other requirements that have a time period or filing procedure.

Once the application is processed and the public hearing, if required, completed, the Commission has a defined time period in which to act.

Variances

A variance allows you to develop your property in a manner prohibited by the zoning regulations. It allows a “bending of the rules”. Hardship has to be shown and it can’t be self-created or financial. Typically variances may be issued to allow a building to be built closer to a property line than the normal setback, allow a greater percentage of the lot to be covered with greenhouses than is allowed by regulation and the use of land that was too wet for a subdivision to construct a nursery or greenhouse.

Planning and zoning commissions have considerable power and duties to uphold in enforcing regulations related to land use. Working with them can help your project win favorable approval.

Reference:

Bartok, J.W., Jr. & R.A. Aldrich, 1989. Greenhouses & Local Zoning Ordinances. American Society of Agricultural Engineers, St. Joseph MI. Paper 89-4031.

**John W. Bartok, Jr., Agricultural Engineer,
Natural Resources Mgt. & Engr. Dept.
University of Connecticut, Storrs CT**

A Guide to the Wage and Workplace Standards Division and Its Laws Prefix

Last Updated:

You are here: [DOL Web Site](#) ▶ [Wage and Workplace Standards](#) ▶ A Guide to the Wage and Workplace Standards Division and Its Laws - Prefix



[print this section](#) (PDF, 176KB)

A Message from the Director

It is with great pride and pleasure that the Division provides this booklet to our clients, especially to employers. Connecticut has had minimum wage laws since 1933 and they have undergone many changes along with the enactment of regulations regarding these laws. As with most laws, the wage and hour laws have also been subject to different interpretations over the 75 years of their existence. Hopefully this guidebook will be a handy reference in a format that is user friendly and informative.

The guidebook begins with an overview of a Division that now administers laws impacting 1.6 million Connecticut workers and over 97,000 employers. Since employers use many of the services offered by the Labor Department, we have enclosed a directory of our various units as well as local *Connecticut Works* centers.

One of our primary goals has been to deliver our services efficiently and in a timely manner and what better way than through our **Website?** It provides a wealth of information as well as permitting employers to access our services such as requesting sample deduction forms, keeping records other than at the place of employment, and requesting permission to pay other than weekly by simply e-mailing us.

Much attention in the guide has been focused on the exempt/non-exempt issue and you will find definitions as well as payroll pal 96-001 to help assess your executive/managerial employees for exemption from overtime.

As with any guidebook we could not cover all situations and it does not take the place of actual Connecticut General Statutes and regulations and/or court decisions. You should contact our Division or your legal advisor for more detailed information.

Finally, I sincerely hope you find this guidebook helpful in answering many of your questions and that it will encourage not only compliance with the laws but stable and prosperous workplaces.

Gary K. Pechie, Director
January 2009

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Frequently Asked Questions by Employers

CLICK ON EACH QUESTION TO SHOW THE ANSWER. CLICK ON THE QUESTION AGAIN TO HIDE THE ANSWER.

-1. What is the minimum wage in Connecticut?

Effective January 1, 2010, the minimum wage is \$8.25 per hour. For minors working in agriculture or government, the minimum wage is 85% of \$8.25 or \$7.01 per hour. There is a sub minimum wage in other industries covered by wage orders or the Administrative Regulations. Effective January 1, 2010, the minimum wage is \$8.25 per hour. For minors working in agriculture or government, the minimum wage is 85% of \$8.25 or \$7.01 per hour. There is a sub minimum wage in other industries covered by wage orders or the Administrative Regulations.

-2. What are wage orders and the Administrative Regulations?

In addition to the statutes covering wage and hour laws which are contained in Title 31, Chapter 558, there are specific wage orders with regulations that cover restaurants, mercantile establishments, beauty shops, dry cleaning and laundry. The Administrative Regulations cover all other businesses. Posters with these regulations must be posted at the place of business and are provided by the Labor Department free of charge. Requests for these posters can be made through our website, by telephone, or by written request. Spanish versions are also available of the Administrative Regulations and the restaurant wage order.

-3. What are the requirements for issuing paychecks in Connecticut?

Under 31-71b of the Connecticut General Statutes, the employer shall pay weekly in cash or negotiable check all monies due an employee on a regular payday. Direct deposit is permitted with permission of the employee.

-4. How do I obtain a waiver of the weekly pay requirement?

A letter or completed request form found on our website should be sent to the Director of Wage and Workplace Standards Division describing the reason for the change and desired frequency. Most employers request a biweekly payroll for hourly employees covered by overtime requirements. A 30-day notice is required to all affected employees.

-5. How do I receive permission to withhold or divert from wages for specific reasons?

According to section 31-71e of the Connecticut General Statutes, the employer may deduct from wages if empowered by state or federal law, has written authorization from the employee on a form approved by the Labor Commissioner, the deductions are for medical premiums authorized by the employee, or for contributions attributable to automatic enrollment, as defined in section 2 of this act, in a retirement plan, described in Section 401(k), 403(b), 408, 408A, or 457 of the Internal Revenue Code, established by the employer. The employer can submit a sample form to the Wage and Workplace Standards Division or use the sample form on our website. This form shall be signed by the employee and kept as part of the payroll records.

-6. How do I retain records at a location other than the place of business?

Under section 31-66 of the Connecticut General Statutes, the employer shall maintain for 3 years at the place of employment a record of hours worked and wages paid to each employee. The employer can submit a request through our website or by letter to the Division and permission may be granted to keep records at another location. Out of state businesses may receive permission if the records call be made available within 72 hours.

-7. Do I have to provide an earnings statement to each employee?

Yes, under section 31-13a, (page 45) the employer shall provide an earnings statement (paystub) to each employee showing hours worked, gross earnings, showing straight time and overtime earnings, and itemized deductions with net earnings. This should be in paper form or electronically in a secure manner.

-8. Are there any break or meal period laws I should be aware of?

There are no laws requiring an employer to provide a break. If breaks are provided they are typically paid. If an employee works 7½ consecutive hours, the employer shall provide a ½ hour unpaid meal period with some exceptions and unless there is an agreement to have another schedule (see Section 31-51ii).

-9. Does an employer have to provide fringe benefits to an employee?

The law does not require an employer to provide fringe benefits such as vacation, sick and holiday pay, although it is customary to do so. If the employer does provide benefits their policies should be provided in writing to the employee.

-10. Does an employer have to pay overtime wages to an employee when there is a paid holiday?

The law does not require an employer to pay overtime wages to an employee unless the employee actually works over forty (40) hours in a work week.

-11. What does the term exempt/non-exempt employee mean?

Most employees are covered for the purposes of minimum wage and overtime and the keeping of time records with exception under the statute. The major exception is for those employees who meet the definition of an executive, administrative, or professional employee as defined by the regulation of the Labor Commissioner. These are the so-called "white collar" exemptions. These classifications for the most part require a salary and specific job duties in order to be exempt. No matter how much the salary is an employee must still meet the job duties test. You can read more on this in this guidebook.

-12. What constitutes full time and part time hours?

There is no definition of full or part-time under wage and hour law. The employer may designate who they consider full-time based on factors such as hours worked and service and provide benefits such as vacation and sick pay at their discretion. Each employer should check with other jurisdictions such as the Internal Revenue Service or Worker's Compensation for their definitions. If the employees are covered by a collective bargaining agreement a definition could be established by contract.

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Minimum Wage Increases



Minimum Wage: \$8.00 effective January 1, 2009

 **\$8.25 effective January 1, 2010**

Gratuity Allowance: 31% for waitpersons effective January 1, 2009
11% for bartenders effective January 1, 2009

(P.A. 08-113)
July 8, 2008

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Key Points Contained In This Guide

1. Employers are required to pay non-exempt employees at least the minimum wage.
2. Employers are required to pay non-exempt employees time and one-half their regular rate of pay for hours worked over 40 in a week.
3. Employers are required to maintain **true and accurate** time records on all non-exempt employees.
4. Discussion of the definition of executive, administrative and professional employees (exempt employees). Salary by itself does not make an employee exempt from minimum wage, overtime, and record-keeping.
5. Requirement to pay wages weekly and/or how to obtain a waiver of this provision.

6. Deductions, other than those permitted by state or federal law, must be on a form approved by the Labor Commissioner.

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Questions?

If you have questions or comments regarding certain subjects, please feel free to contact us at the following numbers or through our website address:

www.ct.gov/dol

Fax Number (860) 263-6541

Minimum Wage, overtime, time records
(860) 263-6790

Final paychecks, commission/bonus payment, fringe benefits
(860) 263-6790

Employment of Minors
(860) 263-6791

Ruling 96-5 Ct Dept. of Revenue Services

Sales and Use Taxes Agricultural Production

FACTS:

An individual conducting a business of breeding and raising horses also boards and trains horses belonging to others. Such boarding includes the daily feeding and care of the horses, turning the horses out to pasture and cleaning and maintaining their stalls.

ISSUE:

Whether boarding and training horses belonging to others is considered to be agricultural production under Conn. Gen. Stat. §12-412(63), so that a person engaged in boarding horses may apply for a Farmer Tax Exemption Permit entitling such person to make exempt purchases of tangible personal property exclusively for use in such agricultural production.

DISCUSSION:

Purchases of tangible personal property for use exclusively in agricultural production by a farmer engaged in such production as a trade or business, and who has been issued a Farmer Tax Exemption Permit, are exempt under Conn. Gen. Stat. §12-412(63), provided that in the preceding calendar year the farmer's gross income from such production was at least \$2,500, as reported for federal income tax purposes on Schedule C or Schedule F attached to Form 1040, 1041 or 1065, or would be reportable on such schedule but for the fact that the business is conducted by a corporation. The statute defines "agricultural production" as engaging, as a trade or business, in (A) the raising and harvesting of any agricultural or horticultural commodity, (B) dairy farming, (C) forestry, (D) the raising, feeding, caring for, shearing, training or management of livestock, including horses, bees, poultry, fur-bearing animals or wildlife, or (E) the raising and harvesting of fish, oysters, clams, mussels or other molluscan shellfish. A "farmer" is defined in the statute as any person engaged in agricultural production as a trade or business. Since the definitions of "agricultural production" and "farmer" do not require that the livestock being raised, fed, cared for, sheared, trained or managed belong to the farmer seeking exemption under Conn. Gen. Stat. 12-412(63), it follows that persons who board or train livestock belonging to others may also be considered to be farmers engaged in agricultural production.

As originally enacted in 1989, Conn. Gen. Stat. §12-412(63) only allowed gross income from sales of agricultural products that was reported on Schedule F (Profit or Loss From Farming), which is used to report income from sales of animals or produce, to be counted towards the statutory \$2,500 threshold before the farmer could be considered eligible for

the agricultural production exemption. Income from boarding or training horses owned by others could not be used to qualify for a Farmer Tax Exemption Permit under Conn. Gen. Stat. §12-412(63) since such income is from sales of services and is not from sales of agricultural products. The statute was amended by 1993 Conn. Pub. Acts 122, effective October 1, 1993, to repeal the requirement that the gross income counted towards the \$2,500 threshold be derived from the sale of agricultural products, and also to allow gross income reported on Schedule C (Profit or Loss From Business, which is used to report income from all sources, including sales of services), in addition to gross income reported on Schedule F, to be counted towards the \$2,500 threshold. Therefore, with this statutory change, it ceased to be a prerequisite to be eligible for a Farmer Tax Exemption Permit that a farmer be engaged in selling animals or produce that are owned and raised by the farmer.

Under Conn. Gen. Stat. §12-412(63), a person engaged in boarding or training horses belonging to others who has qualified for and been issued a Farmer Tax Exemption Permit may make tax exempt purchases of tangible personal property, such as feed, hay and bedding, for exclusive use in agricultural production, including tangible personal property used in providing the service of boarding or training horses.

RULING:

A person deriving income as a trade or business from boarding or training horses belonging to others, even if such person makes no sales of horses or other agricultural products, is a "farmer" engaged in "agricultural production," as such terms are defined in Conn. Gen. Stat. §12-412(63), and may qualify for a Farmer Tax Exemption Permit as long as the person's gross income during the preceding calendar year from boarding or training horses, as reported on Schedule C or Schedule F attached to federal Form 1040, 1041 or 1065, was at least \$2,500.

LEGAL DIVISION

Issued June 14, 1996

Agriculture and Farming-Statutes, Related Regulations, and Permits

In order to take advantage of many of these farm tax exemptions you must be an actual production farmer or lease your land to a farmer that uses it to produce some type of income or raises crops for use. They are not meant for the hobby farmer. FYI, the assessment date by state statute for all Connecticut towns is October 1.

PROPERTY TAXES AND AGRICULTURE

PA 490- An act to preserve agriculture land, forest land and open space land by assessing these lands at their use value, not their market value, must apply with town assessor (Form M-29)

CT General Statutes (CGS) 12-63 & 12-107 a-f in the Taxation Chapter of the statutes. CGS 12-504 deals with the Conveyance Tax portion of the act.

Property Tax Exemption for Farm Machinery and Farm Buildings

CGS Section 12-91 \$100,000 exemption for equipment and machinery (**need \$15,000 sales**). The amount of exemption is established from the assessed amount. (Apply with town on Form M-28)

Additional \$100,000 for machinery **if municipality votes** on it

Additional \$100,000 for each farm building used actually and exclusively in farming, **if municipality votes** on it. (Ex) if farm has 9 buildings each one of which is assessed at \$90,000, the town assessor could exempt all 9 of these buildings from the town property tax. If one building is assessed at 110,000, the farmer would be taxed only on the additional \$10,000 that is above the \$100,000 threshold.

For these 2 additional exemptions, town must propose an ordinance and residents must vote on it.

In order to receive any of above exemptions, must derive at least \$15,000 in gross sales or \$15,000 in expenses on farm. Must declare to Town by October 31 (within 30 days after assessment date of October 1) these exemptions on Form M-28 or on a form supplied by town assessor. (All must also file a Personal Property Declaration Form)

Subdivision 38 of CGS Sec 12-81 (\$500 exemption for farming tools) shall not apply to anyone receiving CGS Sec 12-91 exemption for farm machinery.

Personal Property Farm Machinery Exemptions

All farmers must file a Personal Property Declaration Form with assessor (Form M-15 or town may have their own form) by November 1st listing all taxable personal property they own in order to claim any farm exemptions (Chapter 203, Sec 12-43)

Property Tax Abatements (a municipal option)

CGS Sec. 12-81m Property Tax Abatement of up to 50% on dairy farm, fruit orchard or wine grape, nursery, vegetable farm, tobacco farm or any farm employing non-traditional farming methods (hydroponic or lobstering). Must be approved by municipality. Does not include residences except seasonal farm worker residences.

Exemptions from Personal Property Taxation

CGS Sec. 12-81 no. 36-44 Livestock, nursery products, poultry, produce, farming tools, commercial fishing apparatus are totally exempt from personal property taxes.

CGS Sec.12-81 no.57 Class I renewable energy sources, hydropower facilities, solar water or space heating systems and geothermal energy sources are exempt from personal property taxes.

CGS Sec. 12-81 no. 73 Hoop houses, high tunnels, over wintering structures and shade houses are totally exempt from personal property taxes.

CGS 12-81 no. 10 Property belonging to agricultural or horticultural societies

Horses and Ponies and Property Tax Exemption

CGS 12-81 no. 68 Any horse or pony is exempt up to \$1,000, unless used in farming and agriculture than is totally exempt.

SALES AND USE TAXES AND AGRICULTURE

CGS 12-412 covers sale and use tax exemptions used in agriculture. An informational publication put out by the CT Dept. of Revenue Services explains it well. It is titled: “Farmer’s Guide to Sales and Use Taxes, Motor Vehicles Fuels Tax, estimated Income Tax, and Withholding Tax”

Below are some allowed exemptions

12-412 (3) (a) Gas and Electricity

12-412 (13) Food products

12-412 (40) Fishing

12-412 (63) Agricultural Production

12-412-(96) Vegetable seeds

Farmers Tax Exemption Permit

This permit allows you to purchase farm related items tax free. Is given out by CT Department of Revenue Services. To qualify must have at least \$2,500 in gross sales as reported on Schedule C or Schedule F of Federal Income Taxes. Fill out **Form Reg-8** Application for Farmer Tax Exemption at no cost. It must be renewed after 2 years.

Sales and Use Tax Permit

Is given out by CT Department of Revenue Services. If you make sales in this state (even if exempt sales) you must obtain this. Fill out **Form Reg-1** Business Taxes Registration Application for \$50. It is good for 5 years and can be renewed without additional fee. If you **only** board horses, dairy farm, raise and sell tobacco, fruit or vegetables, you are not required to obtain a CT Sales and Use Tax Permit.

OTHER PERTINENT AGRICULTURAL STATUTES

Horses and Agriculture

The boarding or training of horses is considered agricultural production and may receive a Farmers Tax Exemption Permit if gross income is \$2,500.

Permitted Operation and Uses of Wetlands

CGS Sec. 22a-40 Outlines the operations and uses permitted in wetlands and watercourses as of right.

Permitted Agricultural or farming uses and stream channels

CGS-22a-349 Permitted uses on lands located within stream channel encroachment lines.

Farm Resource Management Plan

CGS 22a-354m Regards possible requirement of a farmer to submit such a plan. Sec 22-6c covers possible reimbursement to a farm

Town Assessment of inland wetland buffer zones

CGS-12-63g Property required as buffer by inland wetlands agency under regulations adopted under CGS Sec. 22a-42a of CGS shall be assessed at a value equal to the value of such property if it were an inland wetland or watercourse area.

Outdoor Wood Burning Furnaces

CGS Sec. 22a-174k Just for your information

Noise making devices to repel wildlife

CGS 22-26g

Poultry Farming

CGS Chapter 434—Starts with Sec. 22-322

Disease of Domestic Animals

CGS Chapter 433--Starts with Sec. 22-278

Milk and Milk Products

CGS Chapter 430—Starts with Sec. 22-127

FORMS

M-28 Exemption App. to Town Assessor for Farm Buildings, Machinery, Horses/Ponies,

M-29 Exemption App. to Town Assessor for Classification of land as Farm Land

M-30 Exemption App. to Town Assessor for Classification of land as Open Space

M-30a Exemption App. to Town Assessor for Classification of land owned by Tax
Exempt Organizations as Open Space land

M-39 Exemption App. to Town Assessor for Classification on land as Forest land

M-66 Exemption App. to Town Assessor for Classification of certain waterfront land as
Maritime Heritage Land

Reg-1 Business Taxes Registration application from CT Department of Revenue Services

Reg-9 Farmer Tax Exemption application from CT Department of Revenue Services



**STATE OF CONNECTICUT
DEPARTMENT OF REVENUE SERVICES**

25 Sigourney Street
Hartford CT 06106-5032

[.pdf version](#)

IP 2010(16)

Farmer's Guide to Sales and Use Taxes, Motor Vehicle Fuels Tax, Estimated Income Tax, and Withholding Tax

Purpose: Retail sales of tangible personal property used exclusively in agricultural production are exempt from sales and use taxes under Conn. Gen. Stat. §12-412(63) if the purchaser qualifies for and has been issued a *Farmer Tax Exemption Permit* by the Department of Revenue Services (DRS). Conn. Gen. Stat. §12-412(63) does not apply to services. This Informational Publication answers some frequently-asked questions about farmer tax exemption permits and explains the taxation of sales made to and by those engaged in agricultural production, including a discussion of the exemption for certain seeds. In addition, this publication describes the exemption and refund provisions for purchases of motor vehicle fuels by farmers, the rules for farmers to make estimated personal income tax payments, and withholding requirements for agricultural employees.

Effective Date: Effective upon issuance.

Statutory Authority: Conn. Gen. Stat. §12-412(63) and (96); Conn. Gen. Stat. §12-458; Conn. Gen. Stat. §12-459; Conn. Gen. Stat. §12-705; and Conn. Gen. Stat. §12-722.

1. Who may apply for a farmer tax exemption permit?

Any person engaged in agricultural production as a trade or business is eligible for an exemption permit. To be engaged in agricultural production as a trade or business, a person must **both** engage in the production with a profit motive and materially participate in the production. The applicant must also meet one of the following requirements:

- The applicant had gross income of \$2,500 or more from agricultural production, as reported for federal income tax purposes, in the preceding taxable year or, on average, in the two preceding taxable years;

- An applicant whose gross income from agricultural production in the preceding taxable year was less than \$2,500 may still qualify for an exemption permit if, in the current or immediately preceding taxable year, the applicant bought an agricultural trade or business from a seller who had an exemption permit at the time of the sale. However, if the applicant does **not** carry on the agricultural trade or business for at least two years from the date of purchase, the applicant will be liable for the sales or use tax that would have been due without the exemption; **or**
- The applicant is starting a new farming business (start-up farmer) and intends to carry on agricultural production as a trade or business for at least two years.

2. Who qualifies as a start-up farmer?

A start-up farmer is a person who:

- Was not engaged in agricultural production as a trade or business in the preceding taxable year; **or**
- Did not have gross income of \$2,500 or more from agricultural production, as reported for federal income tax purposes, in the preceding taxable year or, on average, in the two preceding taxable years.

3. Does a start-up farmer have any special requirements to qualify for a farmer tax exemption permit?

Yes. A start-up farmer must satisfy the following requirements:

- The farmer intends to carry on agricultural production as a trade or business for at least two years after the exemption permit is issued;
- The farmer's gross income from agricultural production, as reported for federal income tax purposes, will be at least \$2,500 in the second year or an average of at least \$2,500 per year for two years after the exemption permit is issued; **and**
- The farmer's gross expenses from agricultural production, as reported for federal income tax purposes, will be at least \$2,500 in the second year or an average of at least \$2,500 per year for two years after the exemption permit is issued.

Example: In the first year of farming, a start-up farmer had \$1,500 of gross income and \$3,000 of expenses from agricultural production. In the second year, the start-up farmer had \$3,500 of gross income and \$2,000 of expenses from agricultural production. The average gross income is \$2,500 $((\$1,500 + \$3,500)/2)$ and the average expenses are also \$2,500 $((\$3,000 + \$2,000)/2)$. This start-up farmer satisfies the income and expense tests.

If the start-up farmer does not meet all of these requirements, the farmer is liable for the sales or use tax that would have been due without the exemption. The tax on the purchases made under the exemption during the two year start-up period is due and must be paid with the first sales and use tax return due following the end of the start-up period.

If the start-up farmer does not meet the renewal requirements, the farmer may **not** reapply for an exemption permit as a start-up farmer.

4. What farming activities are considered agricultural production?

Raising and harvesting any agricultural or horticultural commodity; dairy farming; forestry; raising, boarding, or training livestock and poultry; or raising and harvesting fish, oysters, clams, mussels, or other molluscan shellfish are considered agricultural production.

5. What farming activities are not considered agricultural production?

Individuals engaged solely in buying agricultural products for resale are not engaged in agricultural production. For example, cut flowers or plants sold by a farmer at a roadside stand are not agricultural products if the farmer purchased the flowers or plants for resale. Likewise, individuals whose only agricultural income is from farm rental or from the sale of livestock or crops received by them in payment for farm rental or other services are not engaged in agricultural production and may not include the income as income from agricultural production. Income from the sale of farm assets reported on federal **Form 4797**, *Sales of Business Property*, is not income from agricultural production.

6. Can selling timber qualify someone for the exemption permit?

No. Sales of timber by a person who is not engaged in farming or forestry management do not qualify as sales of agricultural products raised in agricultural production. However, those engaged in forestry management may apply for a farmer tax exemption permit providing proof that a forest management plan is on file with the Department of Environmental Protection (DEP).

7. Is a person engaged in the business of boarding horses owned by others eligible for a farmer tax exemption permit?

Yes. Agricultural production includes the raising, feeding, caring for, shearing, training, or management of livestock, including horses. Therefore, a farmer who boards or trains horses and who meets the requirements listed in Question 1 may qualify for an exemption permit. However, the income from giving riding lessons or providing rough board, which does not include the feeding and care of horses, does not constitute income from agricultural production. See Ruling No. 96-5.

8. Are livestock breeders eligible for a farmer tax exemption permit?

Yes, if the breeder meets the requirements listed in Question 1. A breeder who is required, for federal income tax purposes, to treat his or her income from the sales of livestock as capital gains does not qualify.

9. Is income from petting zoos, pony rides, carriage rides, or riding lessons considered income from agricultural production?

No.

10. Is the operator of a fish farm or hatchery engaged in breeding fish and confinement raising of fish eligible for a farmer tax exemption permit?

Yes. The operation of a fish farm or hatchery is considered agricultural production; therefore, the operator is eligible for an exemption permit.

11. How can I apply for a farmer tax exemption permit?

You must complete and submit **Form REG-8**, *Application for Farmer Tax Exemption Permit*. Submit your completed application and allow at least four weeks for DRS to process your application and mail your exemption permit. Visit the DRS website at www.ct.gov/DRS if you are a new applicant and need a copy of Form REG-8.

To avoid delays in processing your application:

- Complete the current Form REG-8 in full. The name (or names) that appears on the Form REG-8 must be the same as the name (or names) on the federal return.

- Attach copies of any federal income tax return schedules, for example, Schedule C (Form 1040), Profit or Loss From Business (Sole Proprietorship), or Schedule F (Form 1040), Profit or Loss From Farming, used to report the gross income and expenses from agricultural production and copies of the federal return pages as explained in the instructions for Form REG-8. If you submit a copy of Schedule C, you **must** include a list of the agricultural products you raise and the total sales from each product. If you filed federal Form 4835, Farm Rental Income and Expenses, to report farm rental income based on crops or livestock produced by the tenant, you must attach a copy to Form REG-8. Income from farm rental is not income from agricultural production even if you sold the crops or livestock you received from the tenant.

12. May the names of both spouses appear on the farmer tax exemption permit?

Yes. An exemption permit is issued in the names of both spouses provided:

- The spouses filed a joint federal income tax return; **and**
- Form REG-8 contains both spouses' names and is signed by both spouses.

13. Can I get a refund of sales tax paid on purchases made before my farmer tax exemption permit was issued?

No. Sales tax will not be refunded for purchases made before an exemption permit is issued. You must present the exemption permit at the time the purchase is made to claim the exemption.

14. Do I have to renew the farmer tax exemption permit?

Yes. Exemption permits must be renewed every two years. For example, an exemption permit issued in 2010 is valid from October 1, 2010, or the date it is issued, whichever is later, until September 30, 2012. Farmers with a current exemption permit will receive a renewal package in 2012. To renew an exemption permit, attach the same documents as described in Question 11.

A start-up farmer will initially be issued an exemption permit that is valid for two years from the date it is issued. When the farmer renews the exemption permit for the first time, the farmer may be issued an exemption permit for a period of less than two years. This exemption permit will cover a short period until the next regular renewal date.

15. May I transfer a farmer tax exemption permit?

No. The exemption permit may not be transferred or assigned to anyone and is null and void when the original applicant terminates agricultural production. You must return the exemption permit to DRS when you cease agricultural production.

If you transfer or sell your farm, the new owner must apply for a *Farmer Tax Exemption Permit*.

- If you transfer the farm, including transfers to a family member, and the new owner does not have \$2,500 or more in income from agricultural production from the prior year, the new owner can apply as a start-up farmer. See Question 2.
- If you sell the farm, the new owner may qualify for a farmer tax exemption permit. See Question 17.

16. What if my address changes or the location of the farm changes?

If you change your address or the location of the farm changes, you must apply for a new farmer tax exemption permit. To apply, complete a new Form REG-8, attach the old exemption permit, and submit these to DRS.

17. If I hold a farmer tax exemption permit and I sell my farm, will DRS issue a farmer tax exemption permit to the new farmer?

Yes, if the purchaser applies for a farmer tax exemption permit with DRS. However, if the purchaser does not carry on the agricultural business for at least two years from the date of purchase, the purchaser is liable for the sales or use tax otherwise due on purchases made during the period.

The transfer of the assets of the farm as part of the formation of a new entity also qualifies as a sale for the purposes of this provision. The purchaser of the farm, however, must reapply in his or her own name.

For example, a farmer who operates his farm as a sole proprietorship and holds an exemption permit forms a partnership or corporation and transfers the farm to it. The partnership or corporation may apply for an exemption permit. To avoid delays in issuing a new exemption permit, the applicant should also attach a written explanation of its relationship to the former permit holder to the Form REG-8.

18. What purchases may I make tax free with a farmer tax exemption permit?

You may use an exemption permit to buy goods that will be used only in agricultural production. Qualifying purchases include items such as a farm tractor, truck, or refrigeration equipment if the item will be used only in agricultural production. If an item will be used partly in the agricultural production process and partly for other purposes, it is fully taxable. For example, if you buy a truck or sport utility vehicle that will be used on the weekend to transport farm produce to a regional market and during the week to commute to a job, you cannot buy the vehicle tax free. You have to pay the tax because you will not use the vehicle only for agricultural production.

A vehicle purchased with an exemption permit for use other than in agricultural production will result in liability for use tax on the purchase of the vehicle, plus penalty and interest, even if the Department of Motor Vehicles (DMV) issued a farm license plate for that vehicle.

An exemption permit may also be used to buy spores, seedlings, roots, bulbs, tubers, cuttings, bushes, or any other propagative forms of vegetables, fruits, and herbs. If purchased for agricultural production, seeds of plants commonly regarded as flowers or of plants considered ornamental, inedible, or for consumption only by animals may also be purchased tax exempt using a farmer tax exemption permit.

Conn. Gen. Stat. §12-412(63) does not apply to services. Therefore, you may not use a farmer tax exemption permit to purchase services.

19. Are there items that may be purchased exempt without a farmer tax exemption permit?

Yes. Vegetable seeds suitable for planting to produce food or an ingredient or flavoring for human consumption may be purchased exempt from tax without an exemption permit. The exemption applies only to the seeds of foods commonly regarded as vegetables, fruits, and herbs. Purchase of spores, seedlings, roots, bulbs, tubers, cuttings, bushes, or any other

propagative forms of vegetables, fruits, and herbs may be made exempt from tax only with an exemption permit.

20. What documents must I provide to a retailer to show I am eligible for the farmer tax exemption from sales and use taxes?

You must provide a copy of your exemption permit to the retailer at the time of each purchase or you may issue a blanket certificate for a continuing line of exempt purchases. A **blanket certificate** is a copy of the original exemption permit with the words Blanket Certificate written across the top. The certificate is valid from the date it is issued until September 30 of the year the exemption permit expires.

The retailer **must** collect applicable sales tax unless you provide a copy of the exemption permit at the time of purchase.

21. Can I lease farm equipment tax free?

Yes. The lease of equipment used exclusively in agricultural production by a farmer who holds a valid farmer tax exemption permit is exempt from tax.

22. Can I buy services like plowing, planting, harvesting, fertilizer application, or repairs to farm vehicles tax free with a farmer tax exemption permit?

No. The exemption is limited to purchases and leases of goods. You are liable for sales and use taxes on the purchase of any taxable service. Plowing, planting, harvesting, fertilizer application, excavating, and other services are taxable as services to income-producing real property. Repairs to a farm vehicle are taxable as motor vehicle repair services. However, repair parts for vehicles and machinery used exclusively in agricultural production may be purchased with an exemption permit.

23. If I operate a farm and also provide custom hire work such as plowing, fertilizer application, or harvesting to other farmers, can I buy machinery and supplies to perform these services without paying sales tax?

No. You may only use a farmer tax exemption permit to buy equipment you will use exclusively in the production of agricultural products grown or raised by you. Your purchases do not qualify for the exemption if equipment and supplies purchased are used other than in the production of agricultural products grown or raised by you.

24. If I renovate a building used exclusively for agricultural production, can I purchase materials for this project exempt from sales and use taxes?

Yes. Lumber, hardware, and other building materials sold directly to a farmer for the construction or renovation of a farm structure used exclusively in agricultural production, such as a barn for farm animals or a storage building for the harvest, can be purchased exempt from sales and use taxes. However, if the building materials and supplies are sold to a contractor who is hired to perform the construction services, rather than to the farmer, the sales are fully taxable. Likewise, tax applies to the purchase of materials if the structure is not used exclusively in the agricultural production process. For example, if you purchase lumber to build or renovate a home, the lumber is fully taxable.

25. If I hire a contractor to renovate a farm building, is the charge for the service subject to tax?

Yes. Because the farmer tax exemption permit does not cover purchases of taxable services, you are liable for sales tax on the service charges for the renovation or repair of an existing farm structure. However, if the project involves the construction of a new farm

building or an addition that expands the cubic footage of an existing farm building, the service charges are exempt from tax as a new construction project.

26. I hold a valid farmer tax exemption permit. May I purchase electricity, gas, or heating fuel for farm buildings tax free?

Yes, if 75% or more of the gas, electricity, or heating fuel is consumed in a metered building or location used for agricultural production. You must complete **CERT-115, Exempt Purchases of Gas, Electricity, and Heating Fuel**, and provide it to the utility company.

27. When is a farmer subject to use tax on purchases?

Use tax is due when taxable purchases are made but Connecticut sales tax is not paid. Goods purchased by a farmer with a farmer tax exemption certificate are not taxable and are therefore not subject to use tax when the goods are used exclusively in agricultural production. However, a farmer is subject to sales and use taxes on purchases of goods that do not qualify for exemption because the goods are not used exclusively in agricultural production. If sales tax is not paid on taxable goods, use tax is owed on those goods. For example, a dairy farmer buys a hose from an out of state mail order company and does not pay sales tax. The hose is used to rinse the milking room floor and is used by the farmer to water the lawn of his home. The farmer is not using the hose exclusively in agricultural production and owes use tax on the hose.

A farmer can only claim exemption from sales and use taxes on goods. A farmer cannot claim exemption from sales and use taxes on services. A farmer that purchases taxable services without paying sales tax owes use tax on those services. Taxable services include but are not limited to repair or maintenance services to goods, snow plowing, landscaping, and horticultural services. Report and remit use tax on **Form OS-114, Sales and Use Tax Return**.

28. Must I obtain a Sales and Use Tax Permit to make sales?

Yes. Any farmer selling goods **must** register for a *Sales and Use Tax Permit* and **must** collect sales tax on the sale of taxable goods. Taxable goods include plants, certain seeds, trees, hay, feed, mulch, fertilizer including manure, livestock, poultry, rabbits, living or cut Christmas trees, wreaths, decorated or carved pumpkins, and flowers. Tax must be collected on all sales unless they are otherwise exempt.

However, if you are exclusively in the business of boarding horses, dairy farming, or raising and selling tobacco, fruit, or vegetables, you are not required to obtain a *Connecticut Sales and Use Tax Permit*.

29. What sales commonly made by farmers are not taxable?

Exempt sales include:

- Food products including maple syrup, honey, eggs, cider, cakes and pies, vegetables, and fruits. Sales of candy and soda are subject to tax because they are not considered food products. See **Policy Statement 2002(2), Sales and Use Taxes on Meals**.
- Sales made for resale to a person who is engaged in the business of reselling goods of the type being purchased. The purchaser must provide you with a properly completed *Connecticut Sales and Use Tax Resale Certificate*.
- Sales made to purchasers who have been issued a Connecticut farmer tax exemption permit and will use the merchandise being purchased exclusively in agricultural

production. The farmer must provide the seller a copy of their current exemption permit at the time of purchase.

- Sales of farm goods at auction are sales for resale. The auctioneer must provide you with a properly completed *Connecticut Sales and Use Tax Resale Certificate*.

30. How do I register for a *Sales and Use Tax Permit*?

To obtain a *Sales and Use Tax Permit*, complete and submit **Form REG-1, Business Taxes Registration Application**, and pay the \$100 application fee. The permit is valid for five years and may be renewed without an additional fee. You may apply by mail, on the Internet at www.ct.gov/DRS (select **Taxpayer Service Center (TSC)**), or in person at the DRS office in Hartford.

31. What are the sales and use taxes filing requirements?

Generally, sales and use tax returns are filed quarterly. The quarterly periods and due dates are:

Periods	Due Dates
January 1 - March 31	April 30
April 1 - June 30	July 31
July 1 - September 30	October 31
October 1- December 31	January 31

If a seller's sales and use tax liability exceeds \$4,000 per year, the seller must file monthly returns, which are due on or before the last day of the following month. A seller may request permission to file on an annual basis if his or her sales and use tax liability is less than \$1,000 per year.

32. What are the estimated Connecticut income tax requirements for farmers?

You must make estimated Connecticut income tax payments if the Connecticut income tax you owe after tax credits minus Connecticut income tax withheld is \$1,000 or more. If you are a farmer who is required to make estimated tax payments, you must make one payment due on or before January 15 following the end of the taxable year. The required annual payment for farmers is the lesser of:

- 66 2/3%** of the income tax shown on your **current year's** Connecticut income tax return; **or**
- 100%** of the income tax shown on your **prior year's** Connecticut income tax return if you filed a Connecticut income tax return for the prior year that covered a 12-month period.

If on or before March 1 following the end of the taxable year you file a Connecticut income tax return and pay in full the amount computed on the return as payable, you will not be subject to interest for not making an estimated income tax payment. An individual is a farmer for any taxable year if the individual is a farmer as defined in IRC §6654(i)(2) for the taxable year.

33. Must I withhold income taxes from the wages of my agricultural employees?

An agricultural employer must withhold Connecticut income tax if:

- The employer is required to withhold federal income tax from the worker's wages; **or**
- The employer and the employee voluntarily agree to have Connecticut income tax withheld.

See **Informational Publication 2010(1)**, *Connecticut Employer's Tax Guide-Circular CT*.

34. Can I purchase motor vehicle fuels exempt from tax?

If you hold a farmer tax exemption permit, you may purchase motor vehicle fuels exempt from tax, at other than a retail outlet, as long as the gasoline or diesel fuel is used either in a vehicle not licensed to be operated on state highways or in a vehicle registered exclusively for farm use with the Department of Motor Vehicles. In addition, the fuel may not be delivered to a tank in which you keep fuel used for both farm and non-farm purposes. You must furnish the fuel distributor with **Form AU-302**, *Farmer Declaration Motor Vehicle Fuels Tax Exemption*, at the time of purchase.

35. Is there another way for a farmer not to be taxed on purchases of motor vehicle fuels?

Yes. Farmers holding a farmer tax exemption permit who did not claim the exemption discussed in Question 34 may file a claim for refund on or before the last day of May as long as the refund claim involves the purchase of at least 200 gallons of fuel during the preceding calendar year. You must file a refund claim using **Form AU-725**, *Motor Vehicle Fuels Tax Refund Claim – Farm Use*. Submit originals or copies of each numbered slip or invoice issued to you at the time of each purchase with the claim for refund.

Effect on Other Documents: Informational Publication 2008(19), *Farmer's Guide to Sales and Use Taxes, Motor Vehicle Fuels Tax, Estimated Income Tax, and Withholding Tax*, is superseded and may not be relied upon after the date of issuance of this publication.

Effect of This Document: An Informational Publication issued by the DRS addresses frequently-asked questions about a current position, policy, or practice, usually in a less technical question and answer format.

Related Forms and Publications: For related publications, please request:

IP 2003(26), *Q & A on Sales and Use Taxes for a New Business*

IP 2010(1), *Connecticut Employer's Tax Guide- Circular CT*

IP 2009(23), *Business Taxes*

PS 2002(2), *Sales and Use Taxes on Meals*

SN 92(12), *Sales and Use Taxes on Sales of Certain Lawn and Garden Items*

CERT-115, *Exempt Purchases of Gas, Electricity, and Heating Fuel*

Form REG-1, *Business Taxes Registration Application*

Form REG-8, *Application for Farmer Tax Exemption Permit*

Form AU-302, *Farmer Declaration Motor Vehicle Fuels Tax Exemption*

Form AU-725, *Motor Vehicle Fuels Tax Refund Claim – Farm Use*

For More Information: Call DRS during business hours, Monday through Friday:

- **1-800-382-9463** (Connecticut calls outside the Greater Hartford calling area only);
or
- **860-297-5962** (from anywhere).

State of Connecticut Department of Agriculture-- Who and What we are.

We are one of the smaller state departments with about 55 employees consisting of three bureaus; Marketing, Regulatory and Aquaculture.

1)The Marketing Bureau, known officially as the Bureau of Agriculture Development and Resource Preservation consists of 13 employees and two components; Farmland Preservation and Marketing.

Farmland Preservation is dedicated to working with farm owners in the preservation of their land through the purchase of their development rights. Basically, the farmers sell the development rights to us, but they can still work the land and make a living off of it. They are able to sell their land, but a permanent restriction on non agricultural uses is placed on the property. Farmland Preservation works closely with a variety of state and federal agencies, individual towns and land trusts to help owners of prime farmland preserve their land for the future while benefitting financially now. The goal is to preserve 130,000 acres of farmland and so far we have preserved or approved to be preserved around 35,500 acres on 268 farms.

The Marketing unit has a variety of programs that help to promote and to sell CT grown products. The CT Grown logo originated in 1986 is our centerpiece which we use in all our programs. This green and blue logo is used on all our banners, price cards, literature and brochures. It is our promotional eye catching logo that tells you that something is local and CT Grown. Other programs include;

Farm Link Program—We compile a database of people who have land or farms and are looking for individuals who might want to use their land for agriculture. It is an active database of farm seekers and farm owners looking to link up to keep land active in production farming.

Farm to School Program—We facilitate the match between Connecticut school food systems and individual farmers where schools can actually purchase foods for their cafeterias.

Farm to Chef Program –We link restaurants with growers who sell local produce, meat and other products that chefs are looking for.

Grants Program-- We have several matching competitive grants available to growers for a variety of uses. They can be used for building, for purchase of equipment, for advertising and promotion. We also have a grant for towns and for agricultural non profits that want to pursue an agricultural project. It could be for a new farmers market, for planning agricultural events or for a towns work on their Plan of Conservation and Development. These grants range up to \$49,999 and must be matched by the applicant. We also receive grants from USDA which aid in our marketing campaigns and benefit our CT growers and commodity groups.

Farmers Market Program—There are over 115 Farmers Markets in the state. All sell CT grown fruits and veggies but also value added items, crafts, baked goods, seafood and meats. We have staff who aid towns in setting up new markets and administering the ones in place while also helping farmers take part in these markets.

Farmers Market Nutrition Program (WIC and Senior programs)-- We provide vouchers to Women, Infants and Children (WIC) who are identified as “nutritionally at

risk,” and for senior citizens to buy fresh fruits and vegetables at WIC-certified farmers’ markets.

Publications Program-- We print and/or distribute many agriculture publications that are available to the public. Most are available on line at www.CTGrown.gov

Land Use and Property Taxation—We work with local and state officials on state farming and agricultural statutes and policy. We also assist landowners and town officials on local land use issues, property taxation, land use assessment values, agricultural exemptions, and zoning laws as they relate to farming and agriculture.

2)The Regulatory Bureau officially known as the Bureau of Regulation and Inspection consists of 29 employees and enforces laws relating to milk safety, and in the domestic animal realm, deals with animal control, animal population control, importation, and health issues. This bureau also plays a critical role in the control of rabies in Connecticut. The department administers a Second Chance Large Animal Rehab facility at Gates Correctional Facility in East Lyme in cooperation with the CT Department of Corrections where many neglected and abused confiscated animals go to heal. When they are well, the animals are then sold at a UConn auction to a caring owner.

The Regulatory Bureau duties consist of;

Animal Control—Is charged with the enforcement of laws pertaining to the licensing and control of dogs, the licensing and inspection of pet facilities and rabies control. It also investigates and makes arrests in association with complaints of animal cruelty.

Animal Population Control-- Provides vaccination and sterilization benefits for any unsterilized dog or cat adopted from a municipal impound facility in Connecticut. Program goals are to reduce pet overpopulation, reduce the spread of rabies and other diseases through immunizations and subsequently increase the effectiveness of local Animal Control Departments through education and law enforcement.

Animal Health—This division includes a State Veterinarian. Livestock and poultry are inspected and tested to detect infectious and contagious diseases. The importation of healthy livestock, poultry and pet birds are regulated and health certificates are issued for livestock and poultry destined for export.

Agricultural Commodities-- Is responsible for the regulation, inspection and sampling of feed, including large animal and pet foods; agricultural seeds including crop, lawn and vegetable seeds; fertilizers; liming materials; and soil amendments.

Dairy—Is responsible for milk quality and dairy sanitation on the farm and in the processing facilities. In addition to onsite inspections, milk products (raw and finished) are routinely sampled by department staff and tested at the CT Department of Public Health laboratories. The testing includes but is not limited to analysis for fat, protein, added water, bacteria and antibiotic screening. We provide technical assistance to dairy farmers concerning sanitation and construction to insure compliance with regulations. The division also furnishes technical assistance to milk processors regarding regulation compliance, quality control, construction, product label review as well as testing and quarterly inspection of pasteurization equipment.

Licensing-- The Licensing Unit registers a wide variety of agriculturally based products. Licenses for national/international companies requiring Connecticut compliance deal with feed, fertilizer, and seed. In addition, the unit handles permits for pet shops, commercial kennels, training/grooming facilities, and fur breeders. Licenses are also

required for milk dealers, raw milk dealers, cheese manufacturers and for those who deal in the sale of cattle and swine.

3)Aquaculture-- The Aquaculture Bureau consists of 11 employees and is in charge of aquaculture regulation, development and coordination. Aquaculture is the business of farming aquatic plants and animals. The bureaus responsibilities include leasing submerged State lands for shellfish operations including aquaculture, classifying shell fishing waters, monitoring water quality, identifying sources of pollution, seeking corrective actions, and licensing of all commercial shellfish operations. The Department chairs an interagency planning and steering committee which includes the Departments of Environmental Protection, Consumer Protection and Economic Development. The committee is developing a comprehensive strategy for the planned development of aquaculture in Connecticut. The strategy will address regulatory issues, marketing opportunities, disease control, aquaculture for natural stock enhancement and financial assistance programs for aquaculturists. Shellfish, mainly oysters are actually farmed in our waters by over 40 companies on over 70,000 acres.

It's evident that we have many program activities that run the gamut of state agriculture. The department works in cooperation with USDA, Public Health, DEP and a variety of other state and federal agencies, however we have our own identity and our own programs! We pride ourselves on the public being able to call us and talk to an actual person as opposed to the recorded messages common to many state agencies. If you have any questions as they pertain to our department, we urge you to contact us. Our website is www.ct.gov/doag



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For New Farmers

Are you a New Farmer?

New farmers may be new to farming, or they may have grown up on a farm. New farmers may be young, but they may just as likely be career changers or retirees. New farmers may be

exploring the idea of starting a farm, actively planning to start a farm, or be in the first years of operation. The USDA defines beginning farmers as anyone in the first 10 years of operating a farm.

Whether you are an "explorer," a "planner" or a beginning farmer at any stage of business, you will find helpful resources in this section of the website. If you are going to train new farmers on your farm, also visit [For On-Farm Mentors](#). If you offer programs and services for new farmers, go to [For Service Providers](#).

[Take a course!](#)

Thinking about starting a farm business? Find an Exploring the Small Farm Dream Course near you.

New England Small Farm Institute • 275 Jackson St.,
Belchertown, MA 01007
413-323-4531 (voice), 413-323-9594 (fax) • [E-mail](#)



Possible Sources of Funding for Energy Conservation, Innovative Technologies, and other General Farming Needs 10/2010

CT Clean Energy Fund

Projects using clean, renewable energy (solar electric, wind, fuel cells...) may be eligible for a portion of the installation costs, using the CT Energy Efficiency Fund (CEEF) from the surcharge on electric bills each month. www.cleanenergy.com Can be used for commercial businesses and for homeowners. May include solar PV, wind, fuel cells, hydro. Call CT Innovations, 1-860-563-0015 or Emily.Smith@ctinnovations.com. Also call CT Clean Energy Fund (CEEF) 860-563-0015

Governor's Dairy Farm Reinforcement Program:

Energy Saving Solutions for Farm (includes vacuum pumps, refrigeration, lighting, transfer pumps)

The CEEF will cover up to 100% of the increased cost of new energy efficient equipment

The CEEF will cover up to 50% of the cost of energy saving modifications

Call Fred Wajcs Jr., CL & P, 1-860-665-3286 or wajcsff@nu.com

Farm Reinvestment Grants Program, CT Dept. of Agriculture

Capital fixed asset/diversification grant not to exceed \$40,000 match of expansion or improvements of existing farmer's production. \$500,000 bond authorization. Application deadline April 30 each year. Call Ron Olsen, CT Dept. of Ag 860-713-2550 Ronald.olsen@ct.gov

Agriculture Viability Grants Program, CT Dept. of Agriculture

Farm Transition Grant's purpose is to provide a cash match (up to \$50,000) to farmers and ag cooperatives who are planning activities that will promote agriculture sustainability/viability. Applications are due in mid November yearly. Call Ron Olsen 860-713-2550

A Farm Viability Grant is also available to municipalities and ag non profits. see www.CTgrown.gov

NRCS Conservation Program

EQIP (Environmental Quality Incentives Program) – Used to assist farmers with structural and management practices to solve environmental concerns. Projects can include grazing, waste management, forestry, erosion control, pest management, air quality, and irrigation water reduction practices.

AMA (Agricultural Management Assistance) – This program is used to mitigate risk through production diversification and resource conservation. The focus this year is on deer fence, new micro-irrigation and alley cropping.

WHIP (Wildlife Habitat Incentives Program) – Used to assist land owners to develop and improve wildlife habitat. Focus areas are grasslands, riparian areas, old fields, streams and rivers and wetlands. Includes invasive species management.

GRP (Grasslands Reserve Program) – Used to provide an easement or rental payment to protect and restore grassland (pasture or hay). Used to protect grasslands from conversion to cropland or other uses.

Persons interested in applying should contact Nancy Ferlow at the Brooklyn Service Center (860) 774-0224, Ext. 102, or visit the website at www.ct.nrcs.usda.gov/programs.

Environmental Quality Incentives Program (EQIP), NRCS, USDA

A voluntary conservation program for farmers and ranchers that promotes agricultural production and environmental quality. EQIP offers financial and technical help to assist eligible participants install or implement structural and management practices on eligible agricultural land. Energy projects construction plans (and feasibility study) must be completed before incentive application. Call [Nancy Ferlow 860-774-0224](tel:860-774-0224) Nancy.Ferlow@ct.usda.gov in Brooklyn, CT office.

Conservation Stewardship Program (CSP), NRCS, USDA

CSP is a voluntary program that provides financial and technical assistance to promote the conservation and improvement of soil, water, air, energy, plant and animal life, and other conservation purposes on Tribal and private working lands. It provides payments to maintain and enhance natural resources. Call Kip Kolesinskas 860-871-4047 kip.kolesinskas@ct.usda.gov in Tolland office.

Conservation Reserve Program (CRP), FSA, USDA

The Conservation Reserve Program (CRP) provides technical and financial assistance to eligible farmers and ranchers to address soil, water, and related natural resource concerns on their lands in an environmentally beneficial and cost-effective manner. 860-871-2944

Wildlife Habitat Incentive Program (WHIP), NRCS, USDA

WHIP is a voluntary program for people who want to develop and improve wildlife habitat primarily on private land. Through WHIP, USDA's Natural Resources Conservation Service provides both technical assistance and up to 75 percent cost-share assistance to establish and improve fish and wildlife habitat. WHIP agreements between NRCS and the participant generally last from 5 to 10 years from the date the agreement is signed. 860-871-2944

Renewable Energy & Energy Efficiency Program, Rural Development Agency, USDA

Grants up to 25% and loan guarantees up to 50% of the costs to purchase eligible renewable energy systems or to make energy efficiency improvements. Call Johan Strandson, 860-859-5218 x3004 johan.strandson@ct.usda.gov in eastern CT and Mary Grasso 860-688-7725 x4 mary.grasso@ct.usda.gov for western and central Ct

Value Added Producer Grant, Rural Development Agency, USDA

Planning activities, feasibility studies and then working capital expenses for processing and marketing value added agricultural products. Call same numbers as above.

Farm Loans, Farm Service Agency, USDA

Alternative means of funding farm operations that are unable to obtain credit thru a commercial bank. Call Ron Clark, Farm Loan Manager 860-887-3604 x3023

Farm Storage Facility Loan Program, Farm Service Agency, USDA

Low interest financing for producers to build or upgrade farm storage and handling facilities. Contact your local FSA office

Farm Start Program, First Pioneer Farm Credit

A program to assist beginning farmers by providing seed capital of up to \$50,000. Repayment of these funds is for up to 5 years. Contact Enfield office 860-741-4380, Dayville office 860-774-0717 www.firstpioneer.com

Mass Energy-Renewable Energy Certificate Incentive-CT offers a Property Tax Exemption for Renewable Energy Systems. Check with your local town assessors office for that option.

USDA-Sustainable Agriculture Research and Education (SARE) Grants—Competitive grants of \$1,000-\$30,000 to conduct on-site experiments and share results with others. www.sare.org

Growing New Farmers (GNF)

GNF is a regional initiative to provide future generations of Northeast farmers with the support and expertise they need to succeed. It began as a four-year project funded by a grant from the US Department of Agriculture. Project partners and Consortium members developed dozens of tools and resources for new farmers and the service providers who work with them. www.growingnewfarmers.org

Landowner Incentive Program (LIP) CT Department of Environmental Protection

The Landowner Incentive Program (LIP) provides technical advice and cost assistance to landowners for habitat management that will result in the protection, restoration, reclamation, enhancement, and maintenance of habitats that support fish, wildlife and plant species considered at risk. This program is made possible through grants from the U.S. Fish and Wildlife Service. Interested landowners will need to apply to the Wildlife Division, using the LIP application form. Projects might include; warm or cool season grassland establishment, Tidal & Freshwater wetland management, Riparian zone restoration/management, and Conservation easements. Financial assistance up to 75% available. Judy Wilson, Private Lands Program Coordinator, 860-295-9523 judywilson@po.state.ct.us

Resource Conservation & Development Areas (RC&D), NRCS, USDA

RC&D's are non-profit organizations funded by NRCS and USDA. It was created by a provision of the Food and Agriculture Act of 1962. The Secretary of Agriculture gave the Natural Resources Conservation Service (NRCS) formerly the Soil Conservation Service the responsibility for administering the program. RC&D is unique because it is led by local volunteer councils that help people care for and protect their natural resources in a way that improves the local economy, environment, and living standards. Contact county NRCS office for info.

Farmland Preservation Unit-CT Dept. of Agriculture

The Department of Agriculture preserves farmland by acquiring development rights to agricultural properties. The program is voluntary on the part of the applicant. Applications are evaluated according to state regulation criteria. Successful applicants will own active farms that contain a high percentage of prime farmland soils and are in established farm communities. Joseph Dippel, Director, Phone: (860) 713-2511 Fax: (860) 713-2514 email: Joseph.Dippel@ct.gov

American Farmland Trust (AFT)

AFT, with the assistance of the Connecticut Department of Agriculture as well as Connecticut Farmland Trust, has developed a guide to assist landowners, land trusts and communities identify options available to help protect and conserve farmland. The guide, *Conservation Options for Connecticut Landowners: A Guide for Landowners, Land Trusts & Municipalities*, is available by calling the CT Department of Agriculture's Farmland Preservation Program at (860) 713-2511 or the AFT at (860) 683-4230.

CT Trust for Historic Preservation Barns Grant

The purpose of this grant is to support efforts to preserve the iconic historic barns of Connecticut. \$8,000 per project is available. [Todd Levine, Phone: 203-562-6312 tlevine@ctrust.org](mailto:tlevine@ctrust.org)

BUSINESS PLANS—Any business will need a good business plan if looking for any funding through loans or grant. The following may give you guidance:

SCORE-Service Core of Retired Executives is a branch of the CT Small Business Development Center 860-832-0650

UConn Cooperative Extension Centers-- are located in each county. Home page is - www.extension.uconn.edu and click on Find Extension Centers. Tel 860-486-9228

First Pioneer Farm Credit—Enfield Office Tel 860-741-4380 A full service ag lending institution that also can help you with a business plan.

www.agplan.umn.edu-- On-Line Business Plans that you build with help from an online advisory team

Acronyms-

USDA-United States Department of Agriculture

NRCS-Natural Resources Conservation Service of the USDA

FSA-Farm Service Agency of the USDA

RDA-Rural Development Agency of the USDA

SARE- Sustainable Agriculture Research and Education of USDA

CT DEP-Connecticut Department of Environmental Protection

AFT-American Farmland Trust

Property Tax Payments

Assessment date is October 1 in Connecticut (Ch 203-Sec.12-62a).

Grand List is a record of all taxable and tax exempt property as of the assessment date.

If the assessment of real estate or personal property other than a motor vehicle increases from one assessment date to the next an assessor must send out an increase notice to the affected taxpayer (Ch 203-Sec 12-55).

If taxpayer disagrees with assessment can go before the local Board of Assessment Appeals (Ch 203-Sec 12-111), the date for submitting a hearing request is Feb 20 or March 20 depending on when the Grand List is completed. Hearings occur in March or April. Boards of Assessment Appeals also meet in September for motor vehicle assessments (Ch 203-Sec 12-112).

If still dissatisfied, taxpayer may file an appeal with the superior court for that judicial district in which property is located (Ch 203-Sec 12-117a).

So, the property owner establishes their tax liability (what they will be taxed on) as of October 1 of one year, but a tax collector does not mail a tax bill for that liability until the following June (or later if is delay in establishing the mill rate).

Municipalities determine in how many installments the property taxes are due and there is always a 30 day grace period for property taxes (Ch 204-Sec 12-142).

Assessors must reval all real estate at least once every 5 years (Ch 203-Sec 12-55 and Sec 12-62).

Assessor has authority to correct a clerical error or omission in a property assessment within the time period the state law allows (Ch 203-Sec 12-60).

The assessment of each parcel of real property represents 70% of the estimated fair market value as of the date of reval (Ch 203-Sec 62, Sec 12-62a and Sec 12-63).

Upon completion of new construction or building additions, in any year after the date of a reval, the taxpayer's property assessment increases.

Real Estate-is all land and all improvements on or to land (Ch 203-Sec 12-64).

Personal Property-anything that is moveable and not a permanent part of real estate as well as horses, unregistered motor vehicles and snowmobiles (Ch 203-Sec 12-71).

Assessors

In Connecticut, the assessment of property is the exclusive function of municipal government. The local official principally responsible for this function is the assessor. Depending upon a particular town's charter, the assessor

may be elected or appointed. In either instance, assessors are responsible for insuring that all assessments are properly and uniformly made and that the grand list is an accurate reflection of all taxable and tax exempt property in the municipality.

Per Ch 146-Sec 9-198 any town may by a town or borough vote or where there is no such meeting, may by a 2/3 majority of the members of the legislative body elect the assessor.

Summary of Public Act 490 Connecticut's Open Space Tax Law

C. James Gibbons
Cooperative Extension Educator
Land Use and Natural Resources

Public Act 490

A bill introduced in the 1957 legislature providing property tax relief for farmers was rejected. In 1962 William H. Whyte was retained by the then Connecticut Department of Agriculture and natural Resources to prepare a report on Connecticut's natural resources. Following publication of the Whyte Report, an Open Space Task Force was established by the Governor. Among other recommendations, it proposed that a new law be enacted for farm, forest and open space land. The proposal was enacted into law in 1963 as Public Act 490 and is now included in the General Statutes as Section 12-107a, b, c, d, and e provides for assessment of farm, forest and open space land on the basis of its current use rather than market value. "Use value" is based on what the land is actually used for and not what it might be worth on the market.

Use value taxation for open space land is justified because the land requires little if any support from local government revenues. Use value taxation also reflects the concern that market value taxation would result in forced conversion of open space into development at costs to property owners far greater in the long run than the temporary loss of a percentage of current tax revenues.

Application Period

Thirty days before and not later than thirty days after the assessment date of October 1st is the time to sign up for Public Act 490; however, in a year in which revaluations of property becomes effective, applications may be filed up to 90 days after the assessment date of October 1st. Many landowners who are eligible have already signed up with their local assessor and need not do so again unless the use of the land has changed or the land has been sold or transferred. Under state law, land must be assessed at fair market value unless exempted as under P.A. 490

One consideration that the towns should make is the effect of revaluation on agricultural, forest and open space land. By updating the market value of land, taxes may increase. The increased taxes may create such an economic burden on the landowner that he is forced to sell. Often a developer is the only one able to pay top price for raw land and when this happens, development with its resultant demands for municipal services soon follow.

Classification of Land as Farmland

Application for classification of land as farmland is made by the owner to the town assessor. The application must be in writing on a Form M-29 prescribed by the Connecticut Department of Agriculture. In making the determination as to whether land qualifies as farmland the assessor shall take into account, among other things, the

acreage, the portion of the land in actual use for farming or agricultural operations, the productivity of the land, the gross income derived from the land, the nature and value of equipment used in connection with the farm and the extent to which tracts comprising the land are contiguous.

Controversies have arisen between landowners and assessors over whether certain lands qualify as farmland and many of these controversies have received clarification in the courts, however many have not. For purposes of P.A. 490, Section 12-107b of the General Statutes defines farmland as “any tract or tracts of land including woodland and wasteland, constituting a farm unit”. The courts have ruled that the broad definition of the words “agriculture” and “farming” as found in Chapter 1, Section 1 of the General Statutes are relevant to an interpretation of farmland under P.A. 490. The courts have also clarified the following issues regarding farmland assessment:

- Land that has historically been a farm cannot be denied classification because of current less intensive use or productivity.
- Ownership or rental arrangements are irrelevant in determining current farm use.
- The fact that a landowner’s major source of income is from a source other than the farm cannot be a decisive factor for denying farm classification.
- Zoning for more intensive uses is irrelevant in determining farm use.
- Regardless of the financial benefit individuals or corporations may derive from the preferential assessment, the act has been upheld as constitutional because it promotes the general welfare of the community.

An appeal from a decision of the assessor denying the classification may be taken to the local board of tax review or to the courts.

P.A. 490 Impact on Farmland Preservation

While participation in P.A. 490 is high, the fact remains that many farms have been sold for development in the state. Farmers usually have no pension or retirement program, thus they often depend on the proceeds from selling their farms to support themselves when they retire. Escalating land values and pertinent tax-related benefits can easily override any losses the P.A. 490 conveyance might generate. Farmers who receive tax benefits from P.A. 490 may sell land to developers when the price is right. Also tax abatement programs may actually induce developers to purchase farmland for a long-term investment. Once purchased, the land can be rented to farmers and receive preferential tax treatment. After ten years, the land can be developed and sold at a tremendous profit.

Forest Land

An owner of land designated as forestland may apply to the local assessor for its classification of forestland under P.A. 490. For purposes of this act, Section 12-107b(a) of the General Statutes defines forestland as “any tract or tracts of land aggregating 25 acres or more in area bearing tree growth in such quantity and so spaced as to constitute in the opinion of the State Forester a forest area”. Forest land may be (1) one tract of 25 acres or more contiguous acres in one or contiguous municipalities (2) two or more tracts of land aggregating 25 acres or more as long as

no one tract is less than 10 acres or (3) any tract of land which is contiguous to a tract owned by the same owner and designated by the State Forester as forest land prior to July 1, 1976. These contiguous tracts shall not be subject to minimum acreage provisions of 1 and 2 above.

The owner must supply to the town assessor an application Form M-39 as well as a Qualified Forester's Report. The report must be done by a private forester certified by the State Forester that qualifies the owners land as forest.

Open Space Land

The owner of land in an area which has been designated by the local planning commission as open space may apply to the assessor for preferential assessment. The assessor must determine before making the classification that there has been no change in the use of the land which has adversely affected its open space character between the date of adoption of the open space plan and the application date for 490 designation.

Open space land is defined in Section 12-107b(c) of the General Statutes as "any area of land, including forestland designated as wetland under Section 22a-30 and not excluding farmland, the preservation or restriction of the use of which would (1) maintain and enhance the conservation of natural or scenic resources, (2) protect natural streams or water supplies, (3) promote the conservation of soils, wetlands, beaches or tidal marshes (4) enhance the value of the public of abutting or neighboring parks, forest, wildlife preserves, nature reservations or sanctuaries or other open spaces, (5) enhance public recreation opportunities, (6) preserve historic sites or, (7) promote orderly urban or suburban development".

After July 1, 1979, any municipal planning commission which designates open space land in town must have the designation approved by the legislative body before the landowner may apply and the assessor may classify it as open space.

Some planning commissions in order to prevent forced sale of land have adopted a policy statement as part of their plan of development which declares certain undeveloped tracts in excess of a given acreage, usually 1-5 acres, as eligible for open space classification under P.A. 490. Other commissions have designated any open land over and above the minimum lot size required by the zoning commission as eligible under the open space portion of the Act. Other commissions have developed maps that delineate specific areas as open space.

Recommended Use Values

In 1990 the state legislature mandated that the Office of Policy and Management develop a schedule of recommended use values for farm lands as spelled out in Section 12-107(a-c) that assessors may use. In 1994 the Connecticut Department of Agriculture assumed these administrative duties and it is mandated that every 5 years a new set of recommended values are developed. The recommended values are the suggested maximum limits for each particular land classification. The following are latest values.

**2005 RECOMMENDED LAND USE VALUES
Effective October 1, 2005**

CATEGORY	STATE-WIDE	RIVER VALLEY
Tillable A	\$1,200	\$1,665
Tillable B	\$720	\$1,110
Tillable C	\$445	\$665
Tillable D	\$335	\$445
Orchard	\$1,100	\$1,300
Unmanaged Pasture	\$165	\$220
Swamp/Ledge/Scrub	\$40	\$40
Forest/Woodland	\$190	\$190

CONNECTICUT LAND CLASSIFICATIONS

Tillable A - Excellent (shade tobacco and ball & burlap nursery, some crop land)

Tillable B - Very Good (binder tobacco, vegetable, potatoes, some crop land)

Tillable C - Very Good, Quite Level (corn silage, hay, vegetables, potatoes, crop land)

Tillable D - Good to Fair, Moderate to Considerable Slopes (hay, corn silage, rotation pasture, crop land)

Orchard - Well maintained trees for the purposes of bearing fruit. Land often situated on hillsides and considerable slopes.

Unmanaged Pasture - Grazing for Livestock, Not tilled land, usually not maintained.

Swamp/Ledge/Scrub Lands--

Forest/Woodland - Forest Land in a Farm Unit, or Forestry, as Defined in the Forestry Certificate

River Valley Municipalities		
Bloomfield	Glastonbury	South Windsor
Cromwell	Granby	Suffield
East Granby	Manchester	Vernon
East Hartford	Portland	West Hartford
East Windsor	Rocky Hill	Wethersfield
Ellington	Simsbury	Windsor
Enfield	Somers	Windsor Locks

Conveyance Tax

In 1972 P.A. 72-152 “An Act Establishing a Conveyance Tax on Land Classified as Farm, Forest or Open Space at Time of Transfer or Change in Classification” was passed. The conveyance tax amendment imposed a percentage fine on lands held under P.A. 490 whose use is changed. The tax is based on the number of years the land is classified under the Act and the total sale price when conversion occurs. The tax ranges from 10 percent of the sales price if the land is sold during the first year of acquisition or classification whichever is earlier, declining one percentage point each subsequent year until no conveyance tax is imposed if the land remains open following the end of the tenth year of P.A. 490 classification or ownership whichever is earlier.

Effective July 1, 1979 the open space section of the Act has been changed to eliminate the date of ownership. The payback period for open space now begins from the date the land was classified as open space under P.A. 490.

Public Act 490 - The Basics

Q: What is Public Act 490 and Use Value Assessment?

A: Public Act 490 is Connecticut's law (Connecticut General Statutes Sections 12-107a through 107-f) that allows your farm, forest, or open space land to be assessed at its use value rather than its fair market or highest and best use value (as determined by the property's most recent "fair market value" revaluation) for purposes of local property taxation. Without the lower use value assessment, most landowners would have to sell the land because they would not be able to afford the property taxes on farm, forest, or open space land.

Q: When did Public Act 490 begin, and is it unique to Connecticut?

A: Public Act 490 was passed by the Connecticut legislature in 1963. Every state in the nation has a Use Value Assessment law for its farm, forest, or open space land. Each state has different rules in regards to its particular Use Value Assessment law. Even in the early 1960's legislative intent identified PA 490 as an important land preservation tool.

Q: How much in property taxes can I save with Public Act 490?

A: Each situation is different; however, the savings can be significant. It must be noted that Public Act 490 allows farmers to continue to farm, and other landowners to continue to own forest and open space land without being forced to sell it to pay the local property taxes.

Q: What happens if I sell my land or no longer use it for farm, forest, or open space land?

A: If land is taken out of the farm, forest or open space classification, you may be subject to a conveyance tax penalty, especially if it is within a ten year period of the initial date of classification. It is best to seek further guidance if you believe you may face this issue.

Q: What if I disagree with my assessor's decision?

A: As a taxpayer, you have the right to appeal your assessor's decision to your town's Board of Tax Review. It is suggested that you contact the Farm Bureau, Connecticut Department of Agriculture, or the Cooperative Extension System before you proceed with your appeal. These service agencies do not offer legal advice or possess the authority to overturn your town's decision. However, they are experienced and knowledgeable in Public Act 490. Their insight might help you determine if you have a valid case on which to proceed.

Q: Does my land qualify?

A: Your assessor makes the determination if your land qualifies after you have submitted an application form. A frequently asked question is "How much farmland do I need to qualify?" The state law sets no minimum for farmland, but some towns do have certain acreage requirements for open space. If you own forest land (generally 25 acres or more), you must have your land designated as forest land through the Forestry Division of the Connecticut Department of Environmental Protection using the services of a private certified forester. Once you have this designation, you then go to your assessor and fill out an application that must be returned between September 1 and October 31.

Q: Do I have to apply for it every year?

A: No. Once you have been granted a farm, forest, or open space land classification under Public Act 490, the classification can only be removed if the use of the land changes or the land ownership changes. Once the ownership of the land changes (for whatever reason), the farm, forest, or open space land classification is lost, and the new owner(s) must reapply. Your town does have the right to periodically ask you for an update of the usage of your Public Act 490 land. Many times they will do this by asking you to complete another application form. This may lead to some confusion that should be resolved before you proceed.

Q: How do I obtain the application form that tax assessors use to determine if my land can be classified as farm, forest or open space under Public Act 490?

A: You must go to your tax assessor's office and ask for an application or visit the [Connecticut Association of Assessing Officers](#) for downloadable forms. Remember, this application must be filled out and returned between September 1 to October 31. For applications to classify property as forest land, the application must be submitted by October 1st and be accompanied by a certified forester's report.

Q: Is Public Act 490 fair to my town and other property tax payers?

A: When the legislature passed Public Act 490 in 1963, it included (and continues to this day) in the law's wording that "it was in the public interest to encourage the preservation of farm, forest, and open space land." Thus, in this respect it is very fair. Additionally, even with the lower property taxes collected, the towns do not sacrifice property tax revenues because of Public Act 490. Studies done across the nation, and closer to home by the American Farmland Trust, have conclusively proven that property tax revenues generated by farm, forest, or open space land, are far greater than the expenditures by the town to service that land. Under the current structure, the residential sector costs a town more to service than the amount of property tax generated from that sector. Because commercial and industrial development require services and attract more residents, these sectors may also result in increased tax burdens. Thus, farm, forest, and open space land can actually help control and maintain reasonable rates of property taxation for all of a town's taxpayers.

Sec. 12-91. Exemption for farm machinery, horses or ponies. Additional optional exemption for farm buildings or buildings used for housing for seasonal employees.

(a) All farm machinery, except motor vehicles, as defined in section 14-1, to the value of one hundred thousand dollars, any horse or pony which is actually and exclusively used in farming, as defined in section 1-1, when owned and kept in this state by, or when held in trust for, any farmer or group of farmers operating as a unit, a partnership or a corporation, a majority of the stock of which corporation is held by members of a family actively engaged in farm operations, shall be exempt from local property taxation; provided each such farmer, whether operating individually or as one of a group, partnership or corporation, shall qualify for such exemption in accordance with the standards set forth in subsection (d) of this section for the assessment year for which such exemption is sought. Only one such exemption shall be allowed to each such farmer, group of farmers, partnership or corporation. Subdivision (38) of section 12-81 shall not apply to any person, group, partnership or corporation receiving the exemption provided for in this subsection.

(b) Any municipality, upon approval by its legislative body, may provide an additional exemption from property tax for such machinery to the extent of an additional assessed value of one hundred thousand dollars. Any such exemption shall be subject to the same limitations as the exemption provided under subsection (a) of this section and the application and qualification process provided in subsection (d) of this section.

(c) Any municipality, upon approval by its legislative body, may provide an exemption from property tax for any building used actually and exclusively in farming, as defined in section 1-1, or for any building used to provide housing for seasonal employees of such farmer. The municipality shall establish the amount of such exemption from the assessed value, provided such amount may not exceed one hundred thousand dollars with respect to each eligible building. Such exemption shall not apply to the residence of such farmer and shall be subject to the application and qualification process provided in subsection (d) of this section.

(d) Annually, within thirty days after the assessment date in each town, city or borough, each such individual farmer, group of farmers, partnership or corporation shall make written application for the exemption provided for in subsection (a) of this section to the assessor or board of assessors in the town in which such farm is located, including therewith a notarized affidavit certifying that such farmer, individually or as part of a group, partnership or corporation, derived at least fifteen thousand dollars in gross sales from such farming operation, or incurred at least fifteen thousand dollars in expenses related to such farming operation, with respect to the most recently completed taxable year of such farmer prior to the commencement of the assessment year for which such application is made, on forms to be prescribed by the Commissioner of Agriculture. Failure to file such application in said manner and form within the time limit prescribed shall be considered a waiver of the right to such exemption for the assessment year. Any person aggrieved by any action of the assessors shall have the same rights and remedies for appeal and relief as are provided in the general statutes for taxpayers claiming to be aggrieved by the doings of the assessors or board of assessment appeals.

Sec. 12-81m. Municipal option to abate up to fifty per cent of dairy farm, fruit orchard or wine grape vineyard property. A municipality may, by vote of its legislative body or, in a municipality where the legislative body is a town meeting, by vote of the board of selectmen, and by vote of its board of finance, abate up to fifty per cent of the property taxes of any of the following properties provided such property is maintained as a business: (1) Dairy farm, (2) fruit orchard, including a vineyard for the growing of grapes for wine, (3) vegetable farm, (4) nursery farm, (5) any farm which employs nontraditional farming methods, including, but not limited to, hydroponic farming or (6) tobacco farms. Such a municipality may also establish a recapture in the event of sale provided such recapture shall not exceed the original amount of taxes abated and may not go back further than ten years. For purposes of this section, the municipality may include in the abatement for such fruit orchard any building for seasonal residential use by workers in such orchard which is adjacent to the fruit orchard itself, but shall not include any residence of the person receiving such abatement.

“Definition of Agriculture”

Connecticut General Statutes, Section 1-1(q)

(q) Except as otherwise specifically defined, the words "agriculture" and "farming" shall include cultivation of the soil, dairying, forestry, raising or harvesting any agricultural or horticultural commodity, including the raising, shearing, feeding, caring for, training and management of livestock, including horses, bees, poultry, fur-bearing animals and wildlife, and the raising or harvesting of oysters, clams, mussels, other molluscan shellfish or fish; the operation, management, conservation, improvement or maintenance of a farm and its buildings, tools and equipment, or salvaging timber or cleared land of brush or other debris left by a storm, as an incident to such farming operations; the production or harvesting of maple syrup or maple sugar, or any agricultural commodity, including lumber, as an incident to ordinary farming operations or the harvesting of mushrooms, the hatching of poultry, or the construction, operation or maintenance of ditches, canals, reservoirs or waterways used exclusively for farming purposes; handling, planting, drying, packing, packaging, processing, freezing, grading, storing or delivering to storage or to market, or to a carrier for transportation to market, or for direct sale any agricultural or horticultural commodity as an incident to ordinary farming operations, or, in the case of fruits and vegetables, as an incident to the preparation of such fruits or vegetables for market or for direct sale. The term "farm" includes farm buildings, and accessory buildings thereto, nurseries, orchards, ranges, greenhouses, hoopouses and other temporary structures or other structures used primarily for the raising and, as an incident to ordinary farming operations, the sale of agricultural or horticultural commodities. The term "aquaculture" means the farming of the waters of the state and tidal wetlands and the production of protein food, including fish, oysters, clams, mussels and other molluscan shellfish, on leased, franchised and public underwater farm lands. Nothing herein shall restrict the power of a local zoning authority under chapter 124.

Sec. 12-81. Exemptions. The following-described property shall be exempt from taxation:

(36) **Commercial fishing apparatus.** Fishing apparatus belonging to any person or company to the value of five hundred dollars, providing such apparatus was purchased for use in the main business of such person or company at the time of purchase;

(37) **Mechanic's tools.** Tools of a mechanic, actually used by him in his trade, to the value of five hundred dollars;

(38) **Farming tools.** Farming tools actually and exclusively used in the business of farming on any farm to the value of five hundred dollars;

(39) **Farm produce.** Produce of a farm, actually grown, growing or produced, including colts, calves and lambs, while owned and held by the producer or by a cooperative marketing corporation organized under the provisions of chapter 596, when delivered to it by such producer;

(40) **Sheep, goats and swine.** Sheep, goats and swine owned and kept in this state;

(41) **Dairy and beef cattle, oxen, asses and mules.** Dairy and beef cattle, oxen, asses and mules, owned and kept in this state;

(42) **Poultry.** Poultry owned and kept in this state;

(43) **Cash.** Cash on hand or on deposit;

(68) **Livestock totally exempt except that exemption for horses and ponies limited to one thousand dollars in value unless used in farming.** Any livestock owned and kept in this state, except that any horse or pony shall be exempt from local property tax up to the assessed value of one thousand dollars, with such exempt value applicable in the case of each such horse or pony, provided any horse or pony used in farming, in the manner required in section 12-91, shall be totally exempt from local property tax as provided in said section 12-91;

Connecticut Motor Vehicle Farm License Plates

CONNECTICUT FARM PLATES - Section 14-49(q)

All the following conditions must be met for a vehicle to qualify for the farm exemption: (1) the vehicle must be used exclusively in agricultural production; (2) an agricultural sales tax exemption permit must be issued by the Department of Revenue Services; and (3) gross farm income in the preceding calendar year was not less than two thousand five hundred dollars. Farm plated vehicles are prohibited from transporting goods for hire (transporting products of others for pay).

Application

The initial application for a farm plate must be made in person at a Department of Motor Vehicles office. If the vehicle being registered is 10 year old or more, or was last registered out of state, it will have to be inspected. Applicants are required to submit, along with the completed farm plate application, an Agricultural Sales Tax Exemption Permit (OR-248) issued by the Department of Revenue Services.

Mileage

Farm plated vehicles are not subject to mileage restrictions in Connecticut.

Emissions

Farm plated vehicles are not subject to Connecticut emissions inspections.

Out of State Travel

Vehicles with Connecticut Farm Plates may travel in states that also have a farm or agricultural registration law. However, the driver of the Connecticut vehicle must comply with the farm registration laws of the state within which he is traveling.

Farm Tractors

Registration of farm (agricultural) tractors and self-propelled agricultural equipment is not required. Farm tractors and self-propelled agricultural equipment may not be used on public roads for transporting good for hire (transporting products of others for pay or for other commercial purposes. When operating on a public road at speeds less than the posted speed limit, the driver of a farm tractor or self-propelled agricultural equipment must yield to vehicles approaching from behind. Farm tractors and self-propelled agricultural equipment not designed or employed in general highway transportation are not permitted on limited access highways.

The "Right to Farm" Law

Connecticut General Statutes, Section 19a-341

Agricultural or farming operation not deemed a nuisance. Exceptions. (a) Notwithstanding any general statute or municipal ordinance or regulation pertaining to nuisances to the contrary, no agricultural or farming operation, place, establishment or facility, or any of its appurtenances, or the operation thereof, shall be deemed to constitute a nuisance, either public or private, due to alleged objectionable (1) odor from livestock, manure, fertilizer or feed, (2) noise from livestock or farm equipment used in normal, generally acceptable farming procedures, (3) dust created during plowing or cultivation operations, (4) use of chemicals, provided such chemicals and the method of their application conform to practices approved by the commissioner of environmental protection or, where applicable, the commissioner of public health and addiction services, or (5) water pollution from livestock or crop production activities, except the pollution of public or private drinking water supplies, provided such activities conform to acceptable management practices for pollution control approved by the commissioner of environmental protection; provided such agricultural or farming operation, place, establishment or facility has been in operation for one year or more and has not been substantially changed, and such operation follows generally accepted agricultural practices. Inspection and approval of the agricultural or farming operation, place, establishment or facility by the commissioner of agriculture or his designee shall be prima facie evidence that such operation follows generally accepted agricultural practices.

(B) The provisions of this section shall not apply whenever a nuisance results from negligence or willful or reckless misconduct in the operation of any such agricultural or farming operation, place, establishment or facility, or any of its appurtenances.

Powers of Commissioner re: definition of agriculture

Connecticut General Statutes, Sec. 22-4c(a)(4) . Powers of commissioner. Recording and transcription of hearings. Payment of related costs or expenses.

(a) The Commissioner of Agriculture may: (4) provide an advisory opinion, upon request of any municipality, state agency, tax assessor or any landowner as to what constitutes agriculture or farming pursuant to subsection (q) of section 1-1, or regarding classification of land as farm land or open space land pursuant to sections 12-107b to 12-107f, inclusive;