Farm Assessments and Taxes

Presented by Grey County Federation of Agriculture
Impacts on Property Tax Grey County

- In Grey County Farmland CVA has increased by 71%
- Residential CVA has increased by 5%
- Once New Assessments Phase in, increase in Farm Tax Burden is as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>% tax from farm</th>
<th>$ increase in Farm Tax Burden</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>3%</td>
<td>-</td>
</tr>
<tr>
<td>2017</td>
<td>3.5%</td>
<td>$256K</td>
</tr>
<tr>
<td>2018</td>
<td>4%</td>
<td>$511k</td>
</tr>
<tr>
<td>2019</td>
<td>4.4%</td>
<td>$766K</td>
</tr>
<tr>
<td>2020</td>
<td>4.8%</td>
<td>$1.02M</td>
</tr>
<tr>
<td>Total</td>
<td>1.8%</td>
<td>$2.56M</td>
</tr>
</tbody>
</table>
Impacts on Property Tax Grey County

Farm Tax Class Burden 2001-2020
% of total county Taxes from Farmland

Farm Tax Burden 2016-2020

- Farm Tax Burden- Status Quo
- Farm Tax Burden- Recommended Ratios
% of total county Taxes from Residential

Residential Tax Burden 2016-2020

- Res Tax Burden- Status Quo
- Res Tax Burden- Our Recommended Ratios
Avoiding a Shift in Property Tax Burden

- To avoid a property tax shift onto farmland property owners your local county governments will need to adjust the Farm Property Tax Ratio below the current 25% of residential taxes.
- How much they need to adjust the tax ratio will depend on the assessment changes in your county.
- County governments have full authority to adjust the farm tax ratio anywhere between 0%-25% of the local residential tax rate each year.
Farm Tax Ratio Required in Grey County

- For Farm Property Owners to maintain the current proportion of tax Burden (3.5% of total tax) would require the following adjustments to Tax Ratios over time.
  - 2017: 0.21
  - 2018: 0.22
  - 2019: 0.20
  - 2020: 0.18
- Note this is not a tax break, farm property owners will still be paying more taxes each year, they will simply be paying the same proportion of taxes.