

What is Conservation Use Assessment?

Owners of agricultural land, timberland and environmentally sensitive land may qualify for conservation use assessment under [O.C.G.A. Section 48-5-7.4](#). The Georgia Revenue Commissioner has the responsibility of annually determining the values for ad valorem tax purposes of this type land and publishing rules and regulations to help county tax assessors determine the values of property that qualify for conservation use assessment.

Conservation use property is assessed at 40% of current use value which gives a reduced assessment to the owner of this type property when compared to other property assessed at 40% of fair market value. This favorable tax treatment is designed to protect these property owners from being pressured by the property tax burden to convert their land from agricultural use to residential or commercial use, hence the name "conservation use" assessment. In return for the favorable tax treatment, the property owner must keep the land undeveloped in a qualifying use for a period of ten years or incur stiff penalties. Owners who breach their conservation use covenant must pay back to the taxing authorities twice the savings they have received over the life of the covenant up to the point it was breached.

Applications for current use assessment must be filed with the county board of tax assessors on or before the [last day](#) for filing ad valorem tax returns in the county.

Valuation of Conservation Use Property

Specially trained staff appraisers of the Georgia Property Tax Division determine values of conservation use property after consultation with the Department of Agriculture, the Georgia Agricultural Statistical Service, the Georgia Forestry Commission, the Department of Natural Resources, and the Cooperative Extension Service. Values are determined according to a statutory scheme that takes mostly into account the ability of the soil to grow certain agricultural commodities, but also weighs in the typical selling price when sales of land are made from "farmer to farmer" and not from "farmer to developer". The resulting table of current use land values differs according to the soil productivity with "1" being assigned to the most productive land and "9" being assigned to the least productive land. There are eighteen soil productivity classes:

- A1 - A9 is for agricultural land (crop land and pasture land), and
 - W1 - W9 is for timberland.

There are over 900 different soil types that have been identified by the Soil Conservation Service of the U. S. Department of Agriculture. The Revenue Commissioner has grouped these soil types into the eighteen soil productivity classes.

Example:

If a farmer has 1,000 acres of A6 crop land and the Department of Revenue has assigned a value of \$250/acre to A6 crop land in this particular district, then the value of the land would be \$250,000 (or \$250 per acre). If the farmer lived in a district where the millage rate was 25 mills (or \$25 per \$1,000 of assessed value) he would owe \$2,500 in property taxes on his crop land (40% of \$250,000 is the assessed value of \$100,000, then multiply \$25 for every \$1,000 which is equal to \$2,500).

Requirements for Conservation Use Assessment for Agricultural or Timber Land

1. Maximum of 2,000 acres.

A single land owner may not have an interest in more than 2,000 acres of tangible real property that is placed in the conservation use assessment program. This would apply even when the interest the owner has in the land is less than outright ownership of the property. For example, if four persons jointly own 2,000 acres, none of these four owners are eligible to put additional land in a second covenant.

2. Property Must Remain Devoted to Qualifying Use.

The property must be devoted to farming or commercial production of agricultural products or timber throughout the life of the covenant. Up to 50% of the land may lie dormant, however, the unused portion may not be used for any other business use. If the use of the property is changed from agricultural to timber production or visa versa, the owner must notify the county board of tax assessors of the change. For more information on the assessment of timber [click here](#).

3. Barns and Silos Also Qualify

The value of tangible property permanently affixed to the real property which is used in connection with the owner's production of agricultural products or timber for storage and processing would be included in the conservation use assessment. But the value of any residence located on the property would be excluded.

4. Qualifications for Owners Requesting Conservation Use Assessment for Agricultural or Timber Land

Property must be owned by one or more natural or naturalized citizens; an estate of which the heirs are one or more natural or naturalized citizens; a trust of which the beneficiaries are one or more natural or naturalized citizens; certain family owned farm entities, when the family farm entity is owned by one or more natural or naturalized citizens who are related to each other within the fourth degree of civil reckoning and when the family farm entity derives 80% or more of gross income from bona fide conservation uses; a bona fide club organized for pleasure, recreation, and other non-profitable purpose pursuant to Section 501(c)(7) of the Internal Revenue Code; a bona fide nonprofit conservation organization designated under Section 501(c)(3) of the Internal Revenue Code; or in the case of storm-water wetlands, any person may own such property.

5. Eligible Uses of the Property

If qualified the property shall be used for, but not be limited to:

- Raising, harvesting, or storing crops;
- Feeding, breeding, or managing livestock or poultry;
- Producing plants, trees, fowl, or animals; or
- Production of aquaculture, horticulture, floriculture, forestry, dairy, livestock, poultry, and apiarian products.

Requirements for Conservation Use Assessment for Environmentally Sensitive Property

1. Maximum of 2,000 Acre

Not more than 2,000 acres of tangible real property that qualifies as environmentally sensitive property, excluding the value of improvements, of a single owner may receive conservation use assessment. The property must be certified as environmentally sensitive property by the Department of Natural resources and maintained in its natural condition.

2. Qualifications for Owners Requesting Conservation Use Assessment for Environmentally Sensitive Property

Property must be owned by one or more natural or naturalized citizens; an estate of which

the heirs are one or more natural or naturalized citizens; a trust of which the beneficiaries are one or more natural or naturalized citizens; certain family owned farm entities, when the family farm entity is owned by one or more natural or naturalized citizens who are related to each other within the fourth degree of civil reckoning and when the family farm entity derives 80% or more of gross income from bona fide conservation uses; a bona fide club organized for pleasure, recreation, and other non-profitable purpose pursuant to Section 501(c)(7) of the Internal Revenue Code; a bona fide nonprofit conservation organization designated under Section 501(c)(3) of the Internal Revenue Code; or in the case of storm-water wetlands, any person may own such property.

3. Types of Environmentally Sensitive Property Eligible

Environmentally sensitive property, if qualified, may include:

- crests, summits, and ridge tops;
- wetland areas as determined by the United States Army Corps of Engineers in accordance with Section 404 of the federal Clean Water Act, as amended, or wetlands that are shown as such on maps compiled by the Department of Natural Resources of the United States Fish and Wildlife Service;
- significant ground-water recharge areas shown as such on maps or data compiled by the Department of Natural Resources;
- undeveloped barrier islands or portions of undeveloped barrier islands as provided for in the federal Coastal Barrier Resources Act, as amended;
- habitats certified by the Department of Natural Resources that contain endangered or threatened species as listed under the federal Endangered Species Act of 1973, as amended; and
- river corridors that are within the 100 year flood plain as shown on official maps prepared by the Federal Emergency Management Agency.

Additional Rules for Conservation Use Property

- When one-half or more of a single tract of real property is used for a qualifying purpose, the entire tract qualifies unless some type of non-agricultural business is being conducted on the portion not be used for the qualifying purpose. The unused portion of the property must be minimally managed so that it does not contribute significantly to erosion or other environmental or conservation problems. The lease of hunting rights is not considered another type of business.
- Owners of a tract, lot, or parcel of land that totals less than ten acres will be required by the county tax assessor to submit additional relevant records to prove bona fide conservation use.
- Property can not qualify as bona fide conservation use property if leased to a person or entity that would not be entitled to conservation use assessment;
 - Property can not be denied current use assessment for the reason that no soil map is available for the county in which the property is located. The owner making application will, however, be required to provide the county board of tax assessors with a certified soil survey unless another method is authorized in writing by the board.
- Property can not qualify as bona fide conservation use property if it is subject to a restrictive covenant that would prohibit the property from being used for the following purposes:
 1. Raising, harvesting, or storing crops;
 2. Feeding, breeding, or managing livestock or poultry;
 3. Producing plants, trees, fowl, or animals; or

4. Production of aquaculture, horticulture, floriculture, forestry, dairy, livestock, poultry, and apiarian products.
- Once the property has qualified for conservation use assessment and is under a covenant, the owner may change the qualifying use of the property without penalty from one qualifying use to another qualifying use. The owner must give notice to the county board of tax assessors on or before the last day for the filing of a tax return. Changing from one qualifying use to another qualifying use will affect the limitations on valuation increases or decreases as described below.

The current use valuation of any conservation use property may not increase or decrease by more than 3 percent from one year to the next during the covenant period. If the owner changes the qualifying use of any portion of the land, or adds or removes any qualified improvements, then the tax will be recomputed as if the new use of the property or qualified improvements were in place from the first year the covenant was entered.