

FARMLAND PRESERVATION TAX CREDITS

Don't leave money on the table this tax season

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BARABOO – The Wisconsin Working Lands Initiative provides landowners with an opportunity to claim tax credits through participation in the Farmland Preservation Program (FPP). Farmers in townships or villages zoned exclusive agriculture or areas designated as an Agriculture Enterprise Area (AEA) are eligible for participation in FPP. Participants must meet state agricultural performance standards in order to claim FPP tax credits.

Currently, eight townships in Sauk County have adopted Exclusive Agriculture Zoning and have been state-certified as farmland preservation zoning districts. These townships include Franklin, Honey Creek, Ironton, Prairie Du Sac, Sumpter, Reedsburg, Troy, and Westfield. Additionally, three villages have state-certified farmland preservation zoning districts in their Extraterritorial (ET) Zone: Prairie Du Sac, Sauk City, and Spring Green. Farmers located in these districts are eligible to claim a \$7.50 per acre tax credit on **all** acres located within the district including cropland, forest, pasture, etc.

Sauk County has one designated Agricultural Enterprise Area (AEA) located in the Town of Fairfield. Landowners within the AEA boundary who have a 15-year farmland preservation agreement signed after July 1, 2009 are eligible to receive a \$5.00 per acre tax credit.

There are also many active long-term farmland preservation agreements throughout Sauk County. The tax credit for an agreement signed prior to July 1, 2009 is calculated using an income-based formula. Farmers with an older farmland preservation agreement, who are looking to increase their tax credit, can modify their agreement to meet current soil and water conservation standards. These participants are eligible to receive a \$5.00 per acre instead of the income based tax credit.

It is important to know which farmland preservation tax form to use. Farmers receiving an income-based tax credit should use Schedule FC. All others claimants should use Schedule FC-A. For more information regarding the Farmland Preservation Program in Sauk County, contact Melissa Keenan or Brian Sadler at 608-355-3245.

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