

FARMLAND PRESERVATION & FARMLAND TAX RELIEF CREDITS 2010 PROGRAM PAYMENTS

Since 1989, Wisconsin has provided tax credits to farmers through both the Farmland Preservation Program and the Farmland Tax Relief Program. The Farmland Preservation Program, established in 1977, seeks to conserve Wisconsin farmland and provide tax relief. The Farmland Tax Relief Credit was created in 1989 to provide additional tax relief to owners of farmland. Farmland owners have been eligible to claim both credits. Beginning with payments in 2011 (for tax years beginning in 2010), the Farmland Preservation Credit has been revised and expanded and the Farmland Tax Relief Credit has been eliminated.

In 2010, approximately \$28.1 million was distributed to Wisconsin farmers through the Farmland Preservation and Farmland Tax Relief Credits. About 16,700 farmers received \$14.2 million of Farmland Preservation Credits and approximately 50,000 farmers received Farmland Tax Relief Credits totaling \$13.9 million. Both credits were paid as an offset to state income tax or as a cash refund if the credits exceed income tax due. The sum of the credits could not exceed 95% of the annual property taxes on a claimant's farm.

The Farmland Tax Relief Credit Program provided direct benefits to all farmland owners with 35 or more acres. The credit was computed as a percentage of up to \$10,000 of property taxes, with the maximum credit of \$1,500. The Department of Revenue annually determined the credit percentage so that expenditures on the credit for all claimants (individual and corporate) would total \$15 million, adjusted up or down for expenditures in excess of, or less than, this amount in the prior fiscal year. For payments in 2010 (for tax year 2009), the credit was based on 18% of the first \$10,000 of property taxes. The average Farmland Tax Credit paid in 2010 was \$278.

The goals of the Farmland Preservation Credit Program have been twofold: (1) to preserve Wisconsin farmland by means of local land use planning and soil conservation practices and (2) to provide property tax relief to farmland owners. To qualify for the credit in tax years through 2009, farmland must be 35 acres or more and zoned for exclusive agricultural use or be subject to a preservation agreement between the farmland owner and the state. In addition, all participants must comply with soil and water conservation standards set by the state Land Conservation Board. The 2009-11 budget bill (2009 Act 28) made revisions to the program beginning with tax years ending in 2010 (for payments in 2011). The average Farmland Preservation Credit paid in 2010 (for tax year 2009) averaged \$855 and equaled 21.6% of the average claimant's property tax bill. Approximately 33% of farm owners with 35 acres or more claimed Farmland Preservation Credits in 2010.

The following table shows statistics on individual claimant participation in the farmland credit programs by county during the 2010 processing year. Data for corporations and trusts and estates is excluded. Data are shown for the county in which the claimant lives, which may not be the same as the county in which the farmland is located.

FARMLAND CREDITS BY COUNTY 2010 (*)
(2009 Property Tax Year)

County	FARMLAND TAX RELIEF			FARMLAND PRESERVATION			Participation Rate (%)
	Count	Amount (\$)	Average (\$)	Count	Amount (\$)	Average (\$)	
Adams	190	65,389	344	17	7,054	415	8.9%
Ashland	54	12,214	226	D	D	D	D
Barron	897	209,787	234	310	291,745	941	34.6%
Bayfield	115	28,777	250	17	13,051	768	14.8%
Brown	988	192,535	195	642	455,847	710	65.0%
Buffalo	726	301,869	416	112	116,318	1,039	15.4%
Burnett	129	35,970	279	20	22,937	1,147	15.5%
Calumet	732	142,029	194	233	166,177	713	31.8%
Chippewa	1,124	250,850	223	56	24,325	434	5.0%
Clark	1,553	293,103	189	54	38,155	707	3.5%
Columbia	1,292	437,940	339	767	644,294	840	59.4%
Crawford	644	190,134	295	129	169,803	1,316	20.0%
Dane	2,494	921,254	369	1,540	1,218,394	791	61.7%
Dodge	1,799	472,299	263	709	605,863	855	39.4%
Door	432	82,107	190	49	28,482	581	11.3%
Douglas	46	8,555	186	D	D	D	D
Dunn	1,002	330,460	330	114	105,238	923	11.4%
Eau Claire	703	152,620	217	185	155,171	839	26.3%
Florence	13	3,879	298	D	D	D	D
Fond Du Lac	1,448	320,308	221	1,060	837,246	790	73.2%
Forest	35	7,529	215	D	D	D	D
Grant	1,901	498,971	262	678	593,915	876	35.7%
Green	1,029	329,095	320	159	151,803	955	15.5%
Green Lake	501	132,150	264	221	158,722	718	44.1%
Iowa	1,058	300,448	284	891	912,221	1,024	84.2%
Iron	12	2,471	206	D	D	D	D
Jackson	494	187,485	380	33	28,101	852	6.7%
Jefferson	1,142	310,864	272	821	646,757	788	71.9%
Juneau	432	150,390	348	37	35,534	960	8.6%
Kenosha	175	81,701	467	20	17,785	889	11.4%
Kewaunee	769	155,124	202	539	449,409	834	70.1%
La Crosse	498	187,363	376	241	274,386	1,139	48.4%
Lafayette	996	342,567	344	441	519,378	1,178	44.3%
Langlade	313	82,616	264	159	138,610	872	50.8%
Lincoln	192	51,784	270	D	D	D	D
Manitowoc	1,134	230,009	203	723	638,133	883	63.8%
Marathon	1,805	450,698	250	278	267,685	963	15.4%
Marinette	294	78,357	267	11	12,630	1,148	3.7%
Marquette	263	98,444	374	33	29,360	890	12.5%
Milwaukee	108	27,158	251	20	5,471	274	18.5%
Monroe	929	268,370	289	55	41,797	760	5.9%
Oconto	693	158,580	229	23	10,851	472	3.3%
Oneida	34	11,815	348	D	D	D	D
Outagamie	1,025	187,446	183	329	195,199	593	32.1%
Ozaukee	276	83,998	304	144	115,490	802	52.2%

FARMLAND CREDITS BY COUNTY 2010(*) (cont.)
(2009 Property Tax Year)

County	FARMLAND TAX RELIEF			FARMLAND PRESERVATION			Participation Rate (%)
	Count	Amount (\$)	Average (\$)	Count	Amount (\$)	Average (\$)	
Pepin	352	109,216	310	47	33,792	719	13.4%
Pierce	803	250,311	312	69	65,430	948	8.6%
Polk	677	179,467	265	33	28,589	866	4.9%
Portage	684	232,957	341	68	72,671	1,069	9.9%
Price	122	31,945	262	12	13,791	1,149	9.8%
Racine	358	113,015	316	31	21,024	678	8.7%
Richland	670	189,030	282	394	434,286	1,102	58.8%
Rock	1,082	343,668	318	733	525,148	716	67.7%
Rusk	320	61,566	192	24	23,885	995	7.5%
St Croix	891	233,607	262	195	134,790	691	21.9%
Sauk	1,201	402,983	336	505	520,559	1,031	42.0%
Sawyer	64	19,558	306	D	D	D	D
Shawano	1,130	289,285	256	309	274,191	887	27.3%
Sheboygan	829	176,423	213	540	395,393	732	65.1%
Taylor	579	152,741	264	16	20,918	1,307	2.8%
Trempealeau	1,091	323,911	297	237	181,906	768	21.7%
Vernon	1,204	328,397	273	215	249,629	1,161	17.9%
Vilas	19	9,526	501	D	D	D	D
Walworth	642	211,802	330	374	230,824	617	58.3%
Washburn	122	29,495	242	10	8,943	894	8.2%
Washington	660	186,298	282	115	67,243	585	17.4%
Waukesha	318	108,174	340	84	54,315	647	26.4%
Waupaca	752	208,227	277	84	67,720	806	11.2%
Waushara	335	105,371	315	19	20,273	1,067	5.7%
Winnebago	636	145,057	228	126	95,855	761	19.8%
Wood	734	204,998	279	23	14,536	632	3.1%
Menominee	D	D	D	D	D	D	D
Other (**)	1,240	382,410	616	492	531,115	2,163	39.7%
TOTAL	50,006	13,897,084	278	16,654	14,245,785	855	33.3%

NOTES:

(*) Excludes corporate, and trusts and estate credits.

(**) Includes returns for which no county is specified and out of state returns

(D) Data for counties with ten or fewer claimants are not disclosed; however, data for these counties are included in the state totals.

(1) Data on the number of claims and credit amount for individual filers are from returns processed between August 1, 2009, and July 31, 2010.

(2) Estimated participation rate is the number of Farmland Preservation Credit claimants in the county as a percentage of the number of Farmland Tax Relief claimants in the county.

(3) The data are based on the county in which the claimant lives, which may not be the same as the county in which the farmland is located.