

How does Green Acres work?

Productive agricultural land enrolled in the Green Acres program will have two values determined by the assessor:

1. An estimated market value based on actual sales of comparable properties
2. An agricultural market value based on rates determined annually by the Department of Revenue

Real estate taxes on the property will be calculated each year based upon both values. Taxes are paid on the lower value. If the agricultural market value results in a lower tax, the difference in tax between the two values is deferred. Additionally, certain special assessments against the property may also be deferred.

The land receives this benefit every year until it is withdrawn, sold, transferred, subdivided, and/or no longer qualifies for the tax deferment.

How do I qualify for Green Acres?

Your property must:

1. be primarily devoted to an agricultural use;
2. be classified for tax purposes by the assessor as “productive” agricultural land; and
3. be at least ten acres in size -or- be a nursery or greenhouse.

The property must also satisfy **one** of the following ownership requirements:

- be the homestead of the owner, or the owner’s surviving spouse, child, or sibling; or be farmed in conjunction with the homestead property; or
- if it is non-homestead property, be in possession of the applicant, the applicant’s spouse, parent, or sibling (or any combination) for at least seven years, or be farmed in conjunction with property within four townships or cities (or any combination) from property in the possession of the owner, the owner’s spouse, parent, or sibling (or any combination) for at least seven years; or
- be the homestead of a shareholder in a family farm corporation or authorized farm entity under Minnesota Statute 500.24; or
- be the homestead of a member/shareholder of a poultry entity other than a limited liability entity in which the majority of the members, partners, or shareholders are related or at least one of the members, partners, or shareholders, either resides on the land or actively farms the land; or
- be in the possession of a nursery or greenhouse or an entity owned by a proprietor, partnership, or corporation which also owns the nursery or greenhouse operations; or
- be the homestead of an individual who is part of a corporation that derives 80 percent or more of its gross receipts from the wholesale or retail sale of horticultural or nursery stock.

What happens to enrolled property that loses its Green Acres eligibility?

If all or some of the land is withdrawn or becomes ineligible for Green Acres, the portion no longer qualifying becomes subject to additional real estate tax for the current year. The additional amount due is calculated as the average of the deferred tax for the current year and the previous two years times three. No payment is required for deferred real estate taxes that extend beyond the most recent three years. If land had qualified for a deferment for a period of less than three years, then the actual number of years enrolled in the program is used in the payback calculation instead of ‘three’.

In addition, all deferred special assessments plus interest become payable in equal installments spread over the time remaining until the last maturity date of the bonds issued to finance the improvements for which the assessments were levied. If the bonds have matured, the deferred special assessments plus interest are payable within ninety days.

Should a property lose its Green Acres eligibility, the additional taxes and deferred special assessments are considered a lien on the property. If these taxes are not paid, the property is subject to forfeiture.

Does land that is enrolled in CRP, RIM, or a similar state or federal conservation program qualify for Green Acres?

No, land enrolled in these programs, although it may be considered productive agricultural land, does **not** qualify for Green Acres.

Does the Green Acres tax deferral automatically continue to a new owner if the property is sold?

No. The new owner must file an application for the continued Green Acres deferral within 30 days after the sale. If the property continues to be farmed and meets the requirements of the program, the tax deferral may continue.

How will the Green Acres program benefit an agricultural property owner?

Enrollment in the Green Acres program is a personal choice. This program may be more beneficial to some agricultural property owners than others. Generally, the greater the difference between a property's estimated market value and its agricultural value, the higher is the associated tax reduction on that property. The option to enroll in the Green Acres program is one that should be carefully reviewed by each property owner. Contact your assessor with any further questions.

How do I apply?

An applicant must complete an "Application for Valuation and Tax Deferment of Agricultural Land (CR-GA App 1-08)", and return it to the County Assessor's office. The application must be received by May 1st of the assessment year to qualify for taxes payable the following year. If approved, your initial application will continue in effect for subsequent years.

In St. Louis County, it is **not** a requirement to submit Green Acres addendum pages along with your application. Your application will apply to all eligible productive acreage that has been identified on your Agricultural Use Questionnaire/s and confirmed by your assessor. If you wish to enroll only a portion of your productive acreage in the Green Acres program, an addendum form must be completed.

Copies of the application form are available at the County Assessor's offices in Duluth, Virginia, or Ely, and are also available online through the County Assessor page on the St. Louis County website.

Questions?

If you have other questions or would like further instructions on how to apply, please contact the County Assessor's Department:

Duluth	(218) 726-2304
Virginia	(218) 749-7147
Ely	(218) 365-8206



What is Green Acres?

Green Acres is a property tax deferral program for productive agricultural land (i.e. tilled, pastured, or mowed for hay).

Green Acres is also known as the Minnesota Agricultural Property Tax Law Minnesota Statutes 273.111.

The intent of Green Acres is to minimize the burden of taxation for farmers who have productive property subject to non-agricultural marketplace influences.