

NYS Agricultural Assessment – COVID-19 Revenue Threshold Exception

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Farmland owners across New York State participate in Agricultural Assessment to reduce their real property tax costs. Each year [an application\(RP-305\)](#) or [renewal\(RP-305-r\)](#) must be filed for each eligible parcel with the local assessor in the municipality where the property is located in order to receive this benefit. For farms with 7 acres or more a minimum agricultural farm income of \$10,000, and for farms with less than 7 acres a minimum agricultural farm income of \$50,000 may qualify the property for agricultural assessment. During the COVID-19 Pandemic, the revenue of some farms may have fallen below the qualifying threshold. Affected farms can apply for an exception to the revenue requirement by filing an additional form ([RP-305-f](#)) with their application or renewal.

[Agricultural Assessment](#) begins with the assessor determining the market value of an eligible property. A value is also established by New York State based upon the productive capability of the soil and average prices received in recent years for agricultural products in New York State. The difference between these two values is applied by the assessor in the form of an exemption. [Agricultural values for each soil](#) type are set by a specific formula laid out by state guidelines. Property owners who rent land to a farmer may also qualify for agricultural assessment so long as they have a [five-year lease with a farm](#) that meets the qualifying sales criteria. Farmers often assist their landowners with the application process for Agricultural Assessment to help keep taxes in check on rented land they operate.

Qualifying properties may be granted a reduction on both their municipality and school taxes when they receive an active Agricultural Assessment, renewed annually. The property assessment reduction can result in tax savings ranging from 10 to 40 percent depending upon location, soil type and agricultural prices in recent years.

If a farm suffered from a reduction in agricultural income, putting their total revenue below the sales threshold outlined above, they can still qualify for Agricultural Assessment on the 2021 assessment roll. They must include a completed [RP-305f, “Application for Exception from Minimum Average Sale Value Requirement of Agriculture and Markets Law Article 25-AA due to COVID-19 Disaster Emergency for 2021”](#) with their application or renewal for Agricultural Assessment. A completed exception application form must include certification from a Cornell Cooperative Extension Specialist or Educator familiar with agriculture in the county where the property is located. Applications must be filed with the local assessor for the municipality in which the property is located prior to taxable status date (**March 1st 2021** in most NYS communities).

To obtain real property forms related to Agricultural Assessment please visit: https://www.tax.ny.gov/forms/orpts/agri_assessment.htm. Local assessors and County Real Property Tax Offices can be contacted for additional information regarding the administration of the Agricultural Assessment Program.