

**Tax Stabilization Procedures
Farmland Taxpayers**

1. Operation Procedures:
 - a. All applications must be submitted to the Selectboard no later than February 1 of the year in which the contract is to become effective.
 - b. Each contract so agreed upon by the Selectboard shall specify the maximum value to be stabilized, which cannot be exceeded and the contract shall specify the individual years of contract coverage.
2. Contract Terms and Criteria:
 - a. The agricultural land, buildings, and owner-occupied dwelling are set for municipal tax assessment and appraisal purposes at 0% of Fair Market Value.
 - b. The farmer(s) must prove that at least two-thirds (2/3) of his/her/their gross family income was derived from farming, by submitting copies of his/her/their Federal Income Tax Return. This requirement may be waived by a vote of the Selectboard should the Board determine that such a requirement would place an unfair burden on the farmer(s).
 - i. Upon receiving a Federal Income Tax Return that does not meet the threshold, the Town Manager, Finance Director, and Selectboard Chair will convene a meeting with the farmer(s) to discuss whether there is cause for a waiver.
 - ii. Upon completion of its review, the committee shall vote whether to support a waiver. The committee shall submit this recommendation to the Selectboard for its action.
 - iii. A waiver request shall be scheduled for and considered at the next Selectboard meeting following receipt of the recommendation from the committee.
 - c. Any material changes in the ownership, occupancy or operation of the farm will require the farmer to inform the town.
 - i. The farmer must submit in writing to the Town within 30 days advising them of said change.
 - ii. Upon receiving such letter, the Town Manager, Finance Director, and Selectboard Chair will meet to review the change. The farmer is entitled to attend this meeting.
 - iii. Upon completion of its review, the committee shall vote to recommend for or against continuation of the contract. The committee shall submit this recommendation to the Selectboard for its action.
 - iv. A decision on the contract shall be scheduled for and considered at the next Selectboard meeting following receipt of the recommendation from the committee.
 - d. Farming is defined as “the raising or harvesting of any agricultural commodities on 10 acres or more of agricultural land, including the operation of a stock, dairy, poultry, bee, fruit, or truck farm; or plantation; ranch; nursery; range; orchard; or oyster bed; and income in the form of crop shares received from the use of the land.”

- e. In the event of sale of all or part of the property for consideration in excess of 50% of Fair Market Value, the farmer would have to reimburse (rollback) the Town for the difference between taxes actually paid and the taxes which would have been paid without stabilization, plus 12% interest. Nothing shall prohibit the Town from entering into a contract containing a “right of first refusal” clause.
- f. The farmer must agree to make every reasonable effort to keep his/her/their land open for hunting, fishing, and other recreational uses.
- g. In the event that the farmer leases the land which is to be stabilized, he/she/they and his/her/their family must reside and maintain a household on the leased farm throughout the term of the agreement.
- h. Only one homestead may be stabilized in each individual contract.