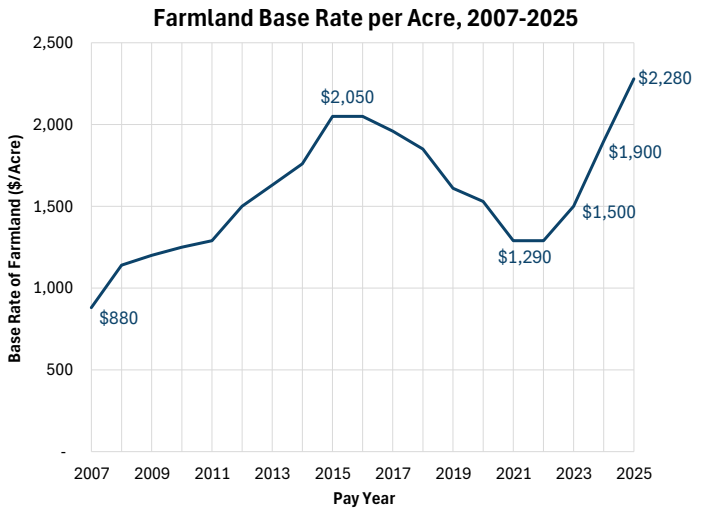




FARMLAND TAXES ARE OUT OF CONTROL



WHAT DOES AGRICULTURE NEED?

- Stable tax burden that is truly predictable & manageable.
- Burden that recognizes demand for services.
- Fairness between classes of taxpayers.
- Property tax burden based on ability to pay.
- Significant and lasting relief.

→ Over the last three years, farmland property taxes have risen dramatically due to changes in the base rate.



RECOMMENDATIONS ADOPTED BY THE INFB DELEGATE BODY INCLUDE:

Modernize the net income elements in the formula by removing government payments and marketing year information from the calculations.

Increase Maximum Capitalization Rate **from 8% to 10%** because the actual interest rates experienced by farmers are close to 8%.

Lower circuit breaker threshold for farmland and farm buildings **from 2% to 1.5%**. Farmland currently falls in the 2% circuit breaker threshold. In rural areas where tax rates are lower, farmland owners very rarely see circuit breaker relief as all other types of property do.

Limit tax levies to help control property tax bills.