

# Conservation Use Assessment

## What is Conservation Use Assessment?

Conservation Use Assessment is a favorable tax treatment covenant designed to protect qualified property owners from being pressured by the property tax burden to convert their land from agricultural use to residential or commercial use. In exchange for this favorable tax treatment the qualifying property owner must maintain the property in a qualifying use for a period of ten years. If the property owner does not comply there are certain penalties that will apply. Therefore, it is important that you contact the Assessor's office for any questions you might have.

## Who Qualifies?

The Conservation Use Assessment program includes but is not limited to

- Raising, harvesting, or storing crops;
- Feeding, breeding, or managing livestock or poultry;
- Producing plants, trees, fowl, or animals; or
- Production of aquaculture, horticulture, floriculture, forestry, dairy, livestock, poultry, and apiarian products.
- Certain environmentally sensitive property.

## How do I apply?

The property owner(s) must come to the Tax Assessors office January 1 – April 1 to make an application. This can also be done during the 45-day assessment appeal period. Application processing may be different depending on the type of ownership of property.

The following is a brief list of things that will be needed when you make the application.

- A valid photo ID.
- Proof of citizenship. Must bring birth certificate, U.S. Passport, or Naturalization Certificate.

## Additional Information

**Less than 10 acres:** Applicants of parcels less than 10 acres must submit additional relevant records regarding proof of bona fide conservation use.

**Underlying Area:** Per 48-5-7.4 the area underlying each residence cannot be included in the covenant. The underlying area to be withheld from the covenant must be the minimum lot size required for residential construction by local zoning ordinances or two acres, whichever is less. *For Hall County that area and amount is 1.50 acres.* State regulation (560-11-6-.03) further stipulates the taxpayer shall provide any one of the following types of legal descriptions regarding such 'underlying property':

1. A plat of the 'underlying property';
2. A written legal description of the 'underlying property' or;
3. A description on a parcel map drawn by the county GIS technician.

*Upon the time of application or renewal the property owner and GIS Technician will determine the location, size and shape of the underlying area. The application cannot be processed until this is complete.*

## What Happens Next?

**Onsite Physical Inspection:** After the application is complete an appraiser will make an onsite inspection to make sure all improvements are listed correctly and ascertain the primary use of the property.

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**Recommendation:** The appraiser will make a recommendation based on his/her inspection. The Specialized Assessment staff will review the inspection records, interview the appraiser, and sign off on a recommendation to the Board of Assessors to approve or deny.

**Approval:** The Board of Assessors has final approval. The Board will be provided a list of recommended approvals and denials in a regularly scheduled meeting. Once the board has reviewed the list to their satisfaction a vote will be taken to approve the recommendation(s) from the Specialized Assessment Division.

**Notification:** Whether approved or denied the property owner will receive an assessment notice, usually in May notifying them of the results of their application. In cases where the application is denied the property owner will be able to appeal the denial by the deadline stated on the assessment notice via 48-5-311.

**The next 10-years:** After approval the property owner will be notified via assessment notice of any change in the conservation use value. By law, 48-5-7.4 "*conservation use values*" can only change by 3% per year. Also by law, prior to the covenants expiration in the 10<sup>th</sup> year the property owner will be notified 60-days prior to the impending expiration of the covenant.

## **\*IMPORTANT INFORMATION\***

**Maintenance:** It is the property owner's responsibility to make sure that the property is maintained in the qualified use for the duration of the covenant or substantial penalties can apply.

**Transfers/Sales:** You can transfer or sell the property with no penalty as long as the new owner is a qualified owner and the new owner continues the covenant. Any penalty follows the property.

If upon selling the property you do not sell all of the property the newly split property must be able to qualify on its own or there will be a penalty that will affect the original covenanted tract. It's important to note that once a part is sold it too must be maintained in the same use for the duration of the original covenant or penalties will apply.

**Transfers to relatives:** You can transfer property to a relative without penalty as long as;

- The part of the property so transferred is used for single-family residential purposes,
- If constructing a residence it must start & be occupied within one year of the date of transfer,
- Continues for the remainder of the covenant period,
- Residence must be occupied by a person who is related within the fourth degree of civil reckoning to an owner of the property subject to the covenant;
- Property transferred to the same relative during the covenant period cannot exceed five acres.

**CALL US BEFORE YOU TRANSFER OR SELL**

**Specialized Assessment Division**

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