



Idaho Code 63-604  
Bonner County, Idaho

## **Agricultural Exemption Application**

Idaho Code 63-604 describes agricultural land as land actively devoted to agriculture and part of a bona fide profit-making agricultural venture. The agricultural program, also known as the agricultural exemption, reduces the taxable value of agricultural land.

The land is further described as follows:

- Used to produce field crops, nursery stock, cropland rotation (and/or)
- Used by the owner or bona fide lessee for grazing of livestock to be sold as part of a net profit-making enterprise
- Annually produces a gross revenue of \$1,000 or more or the equivalent of 15% or more of the owners' annual gross income.
- Land shall not be classified or valued as agricultural land which is part of a platted subdivision with stated restrictions prohibiting its use for agricultural purposes
- Land utilized for producing of crops or grazing of a horse or other animals kept primarily for personal use or pleasure, shall not be considered to be land actively devoted to agriculture

### **Acreage Requirements**

If the total acreage of such land, including the home site, is more than five contiguous acres (may be a group of separately assessed parcels with common boundaries), the owner may make initial application for the program. Parcels less than 5 acres may apply, but are required to submit annual proof of income. To continue the agricultural classification in future years, the owner must then ensure that the land continues to be devoted to agricultural use or show that it has been placed in a crop retirement or rotation program. An annual reporting form may be required by April 15<sup>th</sup> of each year. Parcels of five acres or less must submit an annual reporting form and provide proof of the minimum incomes by April 15<sup>th</sup> of each year for the land to remain in qualification.

### **Valuation of Agricultural Land**

When property is accepted in the agricultural program, it is then given one of the following classifications:

- Irrigated cropland (Cat 1)
- Irrigated grazing (Cat 2)
- Non-Irrigated cropland (Cat 3)
- Meadowland (Cat 4)
- Non-Irrigated grazing (Cat 5)

There are a number of different assessment rates that apply to the land according to its ability to produce crops or grazing grasses. The value is calculated by multiplying the acres in the program by one of these rates, which are lower than the per acre rates for full market value. These rates are provided by the Idaho State Tax

Commission and may change each year. They are based on the income approach (potential income from the land). This program does not provide a true exemption, but a reclassification according to the land's agricultural use. The land remains in the program for as long as a landowner actively manages it as agricultural land. When land is removed from this program, or ownership changes, it is then assessed at full market value.

Any timber that is harvested off of an agriculture parcel may be subject to a 3% yield tax.

**Lease Requirements**

The parcel may qualify for an agriculture exemption if all or a portion of the parcel is leased for the production of crops or the grazing of livestock and produces the minimum income levels or more. If the parcel is leased, a current copy of the lease agreement must accompany the application and must include: acreage leased, terms, and annual payment amount.

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The deadline to submit the initial application must be made in the Assessor's office by April 15<sup>th</sup> of the year in which the owner is seeking the agricultural classification on the land. For land that is five acres or less in size, the land owner must return the annual reporting form and provide proof of income (from the year before) by April 15<sup>th</sup> of each year. The application is available at the Assessor's office located at 1500 Hwy 2, Suite 205, Sandpoint, Idaho or by visiting our website at <http://bonnercounty.us/assessor/assessor-forms/>



## Agricultural Eligibility Determination Form

Idaho Code 63-604  
Bonner County, Idaho

Property Owner's Name(s) Printed: \_\_\_\_\_

Owner(s) Mailing Address: \_\_\_\_\_

\_\_\_\_\_

Parcel Address: \_\_\_\_\_

\_\_\_\_\_

Phone Number: (\_\_\_\_\_) \_\_\_\_\_

Parcel Number: \_\_\_\_\_ Total acres in this parcel: \_\_\_\_\_

Yes

No

Is the parcel actively devoted to agriculture as part of a profit-making enterprise?

Are the crops or animals on the parcel kept primarily for personal use or pleasure?

Does the parcel produce an annual gross revenue of \$1,000 or the equivalent of 15% of your gross annual income?

Is the parcel irrigated?

Is all or a portion of the parcel leased? If yes, how many acres: \_\_\_\_\_

### Cropland Section

Yes

No

Is this parcel actively producing field crops such as grain, alfalfa, feed crops, berries, vegetables, hay etc?

List what agriculture crops and their yields produced annually and anticipated annual yield sold

Crop: \_\_\_\_\_ Acres: \_\_\_\_\_ Yield: \_\_\_\_\_ Sold: \_\_\_\_\_

Crop: \_\_\_\_\_ Acres: \_\_\_\_\_ Yield: \_\_\_\_\_ Sold: \_\_\_\_\_

Crop: \_\_\_\_\_ Acres: \_\_\_\_\_ Yield: \_\_\_\_\_ Sold: \_\_\_\_\_

Crop: \_\_\_\_\_ Acres: \_\_\_\_\_ Yield: \_\_\_\_\_ Sold: \_\_\_\_\_

## Grazing Section

Total number of acres in this parcel devoted solely to grazing: \_\_\_\_\_

Yes     No    Is the grazing land fenced and maintained?

List what livestock, number of head grazed and anticipated annual number sold

Type: \_\_\_\_\_ Head: \_\_\_\_\_ Sold: \_\_\_\_\_

Type: \_\_\_\_\_ Head: \_\_\_\_\_ Sold: \_\_\_\_\_

Type: \_\_\_\_\_ Head: \_\_\_\_\_ Sold: \_\_\_\_\_

Type: \_\_\_\_\_ Head: \_\_\_\_\_ Sold: \_\_\_\_\_

List what animal products are produced and anticipated annual amount sold (*eggs, milk, wool, etc.*)

Product: \_\_\_\_\_ Produced: \_\_\_\_\_ Sold: \_\_\_\_\_

Product: \_\_\_\_\_ Produced: \_\_\_\_\_ Sold: \_\_\_\_\_

Product: \_\_\_\_\_ Produced: \_\_\_\_\_ Sold: \_\_\_\_\_

Product: \_\_\_\_\_ Produced: \_\_\_\_\_ Sold: \_\_\_\_\_

Any further information that would help us in the determination of the status of this property and/or the above information may be provided below:

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**\*If property is leased:** an attached copy of the lease agreement showing acreage leased, terms, and annual payment amount is required.

*I declare under penalty of perjury that the information I have provided on this application is to the best of my knowledge, true, correct, and complete. (All legal owners must sign)*

Property Owners' Signature(s): \_\_\_\_\_ Date: \_\_\_\_\_

\_\_\_\_\_ Date: \_\_\_\_\_

\_\_\_\_\_ Date: \_\_\_\_\_

*By applying for this exemption, I agree to allow Bonner County Assessor's staff access to my parcel to inspect for agriculture production.*

For Office Use Only			
1 Irrigated Ag		Acres at Market	
2 Irrigated Grazing		19(ROW)	
3 Non Irrigated Ag		Timber	
4 Meadowland		Other	
5 Non Irrigated Grazing			