

# Farm and Forestland Special Assessment

While there are other special assessment programs available in the State of Oregon, farm and forestland special assessment programs are the most commonly used by Clatsop County property owners. For additional information visit our Farm and Forestland pages and review our Frequently Asked Questions below.

## Related Questions

### **Can I maintain farmland special assessment on my property if it is leased to another entity?**

Yes, as long as they are farming with the intent of making a profit in money and you are receiving an income from them. We may request a lease agreement as proof of income. If land is Non-EFU, income questionnaire must be completed and income of the farm operator must also be met.

### **Do horses qualify as farm use?**

Yes, but you have to make an income from either the boarding, training or breeding of them.

### **Does the amount of Potential Additional Tax Liability ever change?**

No, it does not accumulate interest charges and will remain the same amount indefinitely.

### **Does the income from the sale of firewood from farm woodlot qualify as farm income?**

No, it does not. It is not considered a farm practice.

## **How can you find the amount of “back taxes” that would be owed if the property is disqualified from special assessment?**

Submit a ‘Request for Disqualification Estimate’ form with a \$150 fee, and we will calculate that for you.

## **How do I keep my property in farm deferral?**

Farm use is defined as the current employment of the land used for the primary purpose of obtaining a profit in money. To earn this benefit, you need to raise a product on the land to sell.

## **How do I receive EFU Farmland special assessment?**

There is no application for EFU, the Assessor must be notified of current farm use with the intent to make a profit.

## **How do I receive Forestland special assessment on my land?**

For DF and STF applications are due by April 1 of the current tax year if certain criteria are met.

## **How do I receive Non-EFU Farmland special assessment?**

Non-EFU applications are due by April 1 of the current tax year. You land must be currently used, and have been used, for the previous two years exclusively for farm use, AND your land must meet the income requirements in three of the five years prior to submission of application.

## **How much will I save in taxes if my property is specially assessed?**

The tax break the property receives is not based on a lower tax rate, or percentage of value. It will be determined by your soil class and number of acres placed into special assessment. This varies from property to property. You will have to wait until you receive your upcoming tax statement to determine your deferred tax benefit.

## **If I decide not to farm my property that is specially assessed, what happens?**

If farming ceases, the property will be disqualified and removed from special assessment. It will then begin to be assessed and taxed at its real market value. In addition, the last 5-10 years (maximum) of deferred taxes will be calculated and that amount will be applied to the property as a Potential Additional Tax Liability.

## **What are the income requirements to qualify for Non-EFU?**

If your land is 6.5 acres or less you must meet the minimum income requirement of \$650. If your land is more than 6.5 acres and less than 30 acres, your gross income from the farm use must be \$100 multiplied by the number of acres. If the land is 30 acre or more, your gross income from the farm must be at least \$3,000. Your land must be currently used, and have been used, for the previous two years exclusively for farm use.

## **What are the qualifications for DF special assessment?**

To qualify for DF there must be at least 2 contiguous acres of forestland with common ownership that meets the stocking requirements and be held for the primary purpose of growing and harvesting trees.

## **What are the qualifications for STF special assessment?**

To qualify for STF the land must first qualify for DF. All contiguously owned properties must be in STF – can't be a combination of DF and STF, but you can have other special assessments programs, such as the farm programs on any additional acres beyond the minimum 10 acres.

## **What happens to my special assessment if I create a subdivision?**

The act of recording a subdivision triggers a disqualification from special assessment, and the deferred taxes from the past 5-10 years will become due before the plat can be recorded at the Clerk's office.

## **What happens to my special assessment status if I build a house on my property?**

Typically, 1 acre is disqualified from special assessment. In an EFU zone, that acre is then taxed at a reduced value as a homesite along with onsite developments. The home must be owned and occupied by a person who is involved in the farm/forest operation. In a Non-EFU zone, the additional tax is calculated for 1.0 acre and extended to the next tax roll. That acre is then assessed and taxed at market value.

## **What happens to my special assessment status if I record a lot line adjustment or sell a portion of my property?**

The special assessment status will remain with the land unless otherwise requested by the owner or buyer. If the land being transferred no longer qualify for the special assessment, it will be disqualified and the deferred tax will be assessed to the current land owner and it may or may not be collectable.

## **What happens when land receiving STF special assessment transfers?**

The assessor will send a new STF application to the new owners. If the new owners do not own over the 5000 acres in Oregon they may apply to continue to receive the STF special assessment. If the new owners do not apply the land will be disqualified from STF and the potential addition tax will be collected. The land will then revert to the designated forestland

special assessment program and the land is not eligible for Small Tract Forestland special assessment for a period of five years.

## **When I buy a property with a Potential Additional Tax Liability on it, who must pay it?**

The liability goes with the land and not the owner. Oregon law does not require it to be paid off unless the use of the land changes to something incompatible with returning to farm use (such as development). If the interested parties do not want the land to be encumbered, the buyer and seller may negotiate a payoff between themselves if they wish.

[View All FAQ's](#)