



GOVERNOR GREG GIANFORTE
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Summary of Agricultural Land Classification Eligibility Requirements

I **Contiguous Land Parcels 160 Acres or Larger Under One Ownership** ([ARM 42.20.640](#))

An Agricultural Land Classification Application is not required.

II **Land Parcels Less Than 160 Acres Under One Ownership** ([ARM 42.20.620](#))

Property owners must:

- submit an [Agricultural Land Classification Application](#) by March 1 to be considered for the current tax year;
- prove that the land is used for agricultural production; and
- market the agricultural products produced by the land and provide documentation of \$1,500 annual gross income.

Acceptable documentation of \$1,500 annual gross income includes:

- sales receipts;
- cancelled checks;
- production records;
- Montana income tax return;
- lease payments (not acceptable for parcels under 20 acres); or
- governmental agricultural program payments such as conservation reserve program (CRP) payment (not acceptable for parcels under 20 acres).

For grazing land used to raise livestock or domestic wildlife, the land must be capable of sustaining 25 animal unit months (AUM) annually. Grazing land carrying capacity is based on the Natural Resources Conservation Service (NRCS) soil survey and a 1,200-pound animal unit.

Income from different land uses can be combined. For example, hay production, wheat production and AUMs.

III **Agricultural Products** ([ARM 42.20.620](#) and [ARM 42.20.683](#))

Allowable agricultural products include:

- food, feed, and fiber commodities;
- livestock, poultry, bees and biological control insects;
- fruits and vegetables;
- sod;
- ornamental, nursery, or horticultural crops that are raised, grown, or produced for commercial purposes; and

- domestic animals and wildlife raised in a captive environment.

The land must produce the agricultural products. Crops using the land as a platform such as trees in root bags, potted plants, or plants in raised beds do not qualify.

The agricultural products must be the raw product such as wheat, hay, cherries or apples. Agricultural products cannot include processed products such as wine, mint oil or bread; or packaged products including bottled honey, jars of jelly or flowers in vases.

IV Family Farm Eligibility Requirements ([ARM 42.20.682](#))

Parcels of land, at least 20 acres but less than 160 acres, that are part of a family-operated farm, family corporation, family partnership, sole proprietorship, or family trust, and are involved in agricultural production, may be classified as agricultural land if they meet the following criteria:

- land parcel is located within 15 air miles of family farm;
- landowner's relationship to the family operated agricultural entity is an owner, partner, shareholder, corporation member, sole proprietorship, family partnership or family trust; and
- landowner meets the income requirements described in the family farm section of the Agricultural Land Classification Application.

V Provisional Agricultural Land Classification ([15-7-202, MCA](#) and [ARM 42.20.683](#))

Landowners of fruit orchards, vineyards, or Christmas tree farms can apply for a five-year provisional agricultural land classification by filling out the Agricultural Land Classification Application.

The \$1,500 annual gross income requirement is waived for the first five years to allow the crops to reach salable maturity. There is no acreage requirement for the provisional classification, but the following crop specific criteria must be met.

- Fruit orchards must:
 - consist of 100 live trees; and
 - be maintained using industry-standard management practices including pest and disease control, wildlife control fencing, weed and grass maintenance, and a watering system.
- Vineyards must:
 - Consist of 120 live vines; and
 - be maintained using industry-standard management practices, including vine pruning, weed and grass maintenance, pest and disease control and trellising and staking.

- Christmas tree farms must:
 - consist of 2,000 live trees; and
 - be cultivated under industry-standard management practices and sheared on a regular basis.

VI Additional information

Refer to the [Agricultural Land Classification Application](#).