



Department of
Finance
Taxation and
Property Records

*Application for
Bona Fide Farmer Status
Property Assessment*



Application for Bona Fide Farmer Status ~ Property Assessment General Information

Purpose

Pursuant to the *Real Property Assessment Act* R.S.P.E.I. 1998, the Bona Fide Farmer Status program provides tax relief to bona fide farmers by providing farm assessment on land used in the farm enterprise. **If you are interested in this program, you may also wish to apply for a Marked Gasoline and Marked Diesel Oil Permit.**

Who Is Eligible

You may qualify for bona fide farmer status if you are:

1. an individual who owns a farm and is
 - (1) actively engaged in farming, and
 - (2) earning **at least \$10,000 or 25 per cent** of your gross annual income from farming;
2. a partnership or corporation that owns a farm and is
 - (1) registered in the province, and
 - (2) is actively engaged in farming, and
 - (3) earning **at least \$10,000 or 25 per cent** of its gross annual income from farming;
3. an individual that owns a farm and is registered in the Future Farmer Program;
4. a partnership or corporation that owns a farm where one or more of the principals are registered in the Future Farmer Program;
5. a widow or widower of a bona fide farmer;
6. an individual who in the year immediately preceding the current assessment year operated a farm enterprise, but who in the current year does not operate a farm enterprise by reason of illness or disability.

Where a farm enterprise is operated by more than one person, Taxation and Property Records may recognize one or more individuals as a bona fide farmer, provided the property is registered to that individual either as a joint tenant, tenant in common or in the name of the applicant, and the person applying meets the qualifications of a bona fide farmer.

How the Program Works

Under the Bona Fide Farmer Status program, the assessed value of farm property is based on the class of clear or wooded land. The following shows the amount of assessment per acre for each class of farm assessment:

Class	Farm assessment per acre of clear land	Farm assessment per acre of wooded land
Class 2 land	\$150 per acre	\$75 per acre
Class 3 land	\$100 per acre	\$50 per acre
Class 4 land	\$70 per acre	\$35 per acre
Class 7 land	\$30 per acre	N/A

Program Definitions

Farm Property means arable land and complementary buildings, operated as a farm enterprise by a bona fide farmer. Farm property includes land leased from the Crown and operated as part of a farm enterprise, but **excludes** land leased or rented from owners who are not bona fide farmers, or land approved for sub-division as residential, recreational, commercial, industrial or institutional use.

A **Farm Enterprise** is:

a farm operation where a bona fide farmer has owned and operated **at least a 20-acre area** of farm property either for **more than 10 years**, or from which gross sales for the previous calendar year were **in excess of \$2,500**; or

a poultry, hog, greenhouse, or market garden enterprise, owned and operated by a bona fide farmer, either for **more than 10 years**, or from which gross sales for the previous calendar year were **in excess of \$10,000**.

How to Apply

Complete and return the attached application form to Taxation and Property Records.

If you have any questions about this program, contact the Property Assessment Coordinator at (902) 368-4449.



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Application for Bona Fide Farmer Status Property Assessment

(Pursuant to the *Prince Edward Island Real Property Assessment Act* R.S.P.E.I. 1988)

Mail to:

Finance, Energy and Municipal Affairs
Taxation and Property Records
PO Box 1150, Charlottetown, PE C1A 7M8
Tel: (902) 368 4449 Fax: (902) 368 6164

Deliver to:

95 Rochford Street
Shaw Building, 1st Floor, South
Charlottetown, PE C1A 3T6
or: any Access PEI Centre

www.taxandland.pe.ca Email: taxandland@gov.pe.ca

Freedom of Information and Protection of Privacy

Personal information on this form is collected under the authority of Section 31(c) of the *Freedom of Information and Protection of Privacy Act* and will be used for the purposes of tax administration and enforcement. Questions on the collection and use of this information can be directed to the Manager, Corporate and Tax Administration Services, PO Box 2000, Charlottetown, PE C1A 7N8 (902) 368-5137.

Section A – Property Owner Information		
Property Owner's Name (please print):		
Company Name (if applicable):		
Mailing Address:		
Telephone: ()	Fax: ()	Email:

List the parcel number and location of each property that will be included under the applicant's bona fide farmer status **(attach additional list if required)**.

Parcel Number	Location	Parcel Number	Location
1.		4.	
2.		5.	
3.		6.	

Instructions:
 If applying as an *individual* - **complete Section B and E**
 If applying as a *partnership or corporation* - **complete Section C and E**
 If applying as a *widow/widower of a bona fide farmer* - **complete Section D and E**

Section B – Applying as an <i>individual</i> for bona fide farmer status	
1. Are you actively engaged in farming?	Yes <input type="checkbox"/> No <input type="checkbox"/>
2. Do you receive annually <i>at least \$10,000 or 25%</i> of your gross annual income from farming? (Please provide a copy of your most recent income tax return (s), including Schedules and Notice(s) of Assessment, or attach a completed Declaration of Income for Bona Fide Farmer Status form.)	Yes <input type="checkbox"/> No <input type="checkbox"/>
3. Are you registered in the Future Farmer Program? Future Farmer Program Client No.: _____	Yes <input type="checkbox"/> No <input type="checkbox"/>
4. Is this property being operated as part of the farm enterprise?	Yes <input type="checkbox"/> No <input type="checkbox"/>
5. Have you owned and operated <i>at least a 20-acre area</i> of farm property either for <i>more than 10 years</i> or from which gross sales for the previous calendar year exceeded \$2,500?	Yes <input type="checkbox"/> No <input type="checkbox"/>
6. Have you owned and operated a poultry, hog, greenhouse or market garden enterprise, either for <i>more than 10 years</i> , or from which gross sales for the previous calendar year exceeded \$10,000?	Yes <input type="checkbox"/> No <input type="checkbox"/>

Section C – Applying as a <i>partnership or corporation</i> for bona fide farmer status		
7.	Is the partnership or corporation registered in the province of Prince Edward Island?	Yes <input type="checkbox"/> No <input type="checkbox"/>
8.	Is the partnership or corporation actively engaged in farming?	Yes <input type="checkbox"/> No <input type="checkbox"/>
9.	Does the partnership or corporation earn <i>at least \$10,000 or 25%</i> of its gross income from farming? (Please provide a copy of your most recent income tax return(s), including Schedules and Notice(s) of Assessment and financial statements, where applicable, or attach a completed Declaration of Income for Bona Fide Farmer Status form.)	Yes <input type="checkbox"/> No <input type="checkbox"/>
10.	Are the principals in the partnership or corporation registered in the Future Farmer Program? Future Farmer Program Client No.: _____	Yes <input type="checkbox"/> No <input type="checkbox"/>

Section D – Applying as a <i>widow/widower</i> of a bona fide farmer		
9.	Are you the widow/widower of a bona fide farmer?	Yes <input type="checkbox"/> No <input type="checkbox"/>
10.	Do you reside on the farm property?	Yes <input type="checkbox"/> No <input type="checkbox"/>

Section E – Certification		
I certify that the above information is correct to the best of my knowledge and belief.		
_____	_____	
Name of Applicant (please print)	Title of Applicant	
_____	_____	() _____
Signature	Date	Telephone

Information contained within this application is considered confidential pursuant to Section 17 of the *Real Property Assessment Act*.

For Office Use Only					
Application Status:	Approved <input type="checkbox"/>	Denied <input type="checkbox"/>	Effective:	_____	
Notification by:	Mail <input type="checkbox"/>	Fax <input type="checkbox"/>	Email <input type="checkbox"/>	Telephone <input type="checkbox"/>	Not Required <input type="checkbox"/>
Signature of Manager:					
_____			_____		
Manager, Property Assessment Services			Date		