



DLS

DIVISION OF LOCAL SERVICES
MA DEPARTMENT OF REVENUE

Michael J. Heffernan
Commissioner of Revenue

Sean R. Cronin
Senior Deputy Commissioner

March 31, 2017

FVAC Recommended Values — FY 2018

To Boards of Assessors:

The Farmland Valuation Advisory Commission (FVAC) met on March 24th and adopted the range of recommended agricultural, horticultural and forest land use values for the various categories of land classified under *Chapter 61 and 61A* for fiscal year 2018.

The FVAC has traditionally used USDA ERS income and expense data that is capitalized and reallocated by land use. For fiscal year 2018, the FVAC reviewed and approved a new model that capitalized Massachusetts farmland rents and reallocated by land use. This economic data was provided by USDA National Agricultural Statistics Service (NASS), which publishes a number of rental values for Massachusetts farmland.

The FVAC also added two additional categories designating an upper and lower range value for cranberry acreage rates. The five categories for cranberries are based on the wide array of production that the industry is experiencing in the commonwealth and the commission wanted to distinguish this. In addition, the 2016 Municipal Modernization Act provides that cranberry bogs classified as agricultural or horticultural land under M.G.L. c. 61A, will continue to be considered actively devoted to cranberry production until 2020 even if they do not produce a crop and the annual minimum gross sales requirement under M.G. L. c. 61A § 3, and provided the property is maintained during the designated time period. [St. 2014, c. 165, § 276](#), as amended by [St. 2016, c. 218, § 237](#).

In valuing land classified as agricultural, horticultural or forest land under Chapter 61 and 61A, the Board of Assessors must consider only those indicia of value that such land has for agricultural, horticultural or forest uses. The ranges of value are to be used in conjunction with the Assessors' appraisal knowledge, judgment and experience as to agricultural, horticultural and forest land values. All values adopted outside the range recommended by the FVAC must be supported by a comprehensive study of local factors influencing value, together with a detailed description of the selected valuation models and resulting use value estimates. Any sales of farmland, income data or other appraisal information being considered by assessors should be limited to data specific to the crop or product being grown or produced. For more information please refer to the [Certification Standards](#), (April 2017), on page 19.

Along with the FVAC recommended values are the values of farm animals for the purpose of the *Farm Animal Excise* (Chapter 59, § 8A) as determined by the Department of Revenue. Please note the FVAC deemed no changes are to be made to the value of farm animals for FY2018.

Sincerely yours,

Joanne Graziano

Joanne Graziano
FVAC Chairman, Department of Revenue

FVAC Members:

Phillip DeMartino, Department of Housing and Community Development
Peter Church, Department of Conservation and Recreation, Forestry Division
Gerard Kennedy, Department of Agricultural Resources
Daniel Lass, University of Massachusetts, Department of Resource Economics
Everett Martin, Massachusetts Assessor Representative

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