

Posted on Sun, Aug. 28, 2005

Protect farmland, taxpayers' wallets

OUR OPINION: END FLORIDA'S AGRICULTURAL-TAX GIVEAWAY

Florida's "greenbelt" law is an egregious example of greed and irresponsibility. The greed is from developers who take advantage of loopholes in the law to get agriculture tax breaks on property planned for development. But the irresponsibility of state lawmakers is far more galling. Their refusal to revoke or change the law shows that they care more for developers' lobbyists than taxpayers' money. The practice is outrageous and wrong. The governor and lawmakers should make closing the loophole a top priority.

Last year, Florida allowed as much as \$745 million in agricultural tax breaks, much of it legitimate but some of it questionable. In 1959 when the law was adopted, the idea was to preserve agricultural and ranch lands. While no doubt helping farmers, the law also gives enormous tax breaks to developers who build warehouses, strip malls and housing.

Lax enforcement

The practice encourages unrestrained growth by making it cheaper and more lucrative to pave over farmlands and pastures -- and it comes at taxpayer expense. Developers reap millions in tax breaks while residents pick up the slack by paying more in property taxes, suffering service cuts and subsidizing roads, schools and other infrastructure needed to support all that growth. Last year Miami-Dade and Broward allowed \$60 million in agricultural exemptions. If only half of that was questionable, the amount would be enough to pay for 100 buses or 2.5 new elementary schools.

Although agriculture remains the state's second-largest industry, Florida has lost more than 40 percent of its farmland since 1954. The problem is twofold: the law is one of the weakest of its kind in the country. It is made worse by property appraisers who fail to aggressively enforce the law's few requirements and by magistrates who fail support appraisers who do stand tough.

The law gives tax exemptions for "lands used primarily for bona fide agricultural purposes." It directs property appraisers to look at the amount, condition, value, productivity and income yield of land in determining if it qualifies for a tax break. Examples cited last week in Herald articles are troubling. Cows are "pastured" on soggy, garbage-strewn land that already is rezoned for development. It is common practice to pay ranchers a share of the tax savings to put cows on developers' property, said developer and state Rep. Carlos López-Cantera of Miami. Miami-Dade Property Appraiser Frank Jacobs says if this is so, such a deal would suggest that the developer aims to profit from tax breaks, not cattle sales.

AMB Codina Beacon Lakes and Pan American pay for cows to roam on properties in northwest Miami-Dade that are zoned for industrial use and slated for building warehouses. Their tax breaks in 2004 alone were \$250,273 and \$183,207 respectively. In Southwest Ranches in Broward, developer Richard Bell saved \$140,168 in taxes on property that already had concrete pads and roads intended for yet-to-be built \$1.5 million houses. How can these be agricultural properties worthy of tax exemptions? They were deemed so in each case.

Some appraisers say that court rulings have tied their hands. Often it's not worth denying an exemption that will be upheld on appeal, they say. Mr. Jacobs referred to a 1999 state Supreme Court decision that said physical evidence of farm-related activity on the land alone qualifies an owner for the tax break.

While the law is problematic, so are appraisers' attitudes. "We try to minimize friction," Miami-Dade appraisal supervisor Steven Davis said. "Professionalism, in my opinion, takes precedent over the money issue." We strongly disagree. Professionalism means protecting taxpayer's interest by stopping unwarranted tax giveaways.

Orange County Property Appraiser Bill Donegan, for example, won a recent state appellate-court ruling against a resort chain that wanted a \$500,000 exemption for a "pine-tree farm" being primed for a golf course. By taking on heavy hitters who take advantage of the law, precedent can change. The millions in tax

revenue at stake make the legal fights worthwhile. But there is a better way to correct the abuse: The legislature and governor should change the law.

Strengthen the law

Florida's weak law should be toughened. Other states require developers to pay back taxes once they start to build. California demands a commitment not to build for 10 years levies stiff fines on violators. The point is to truly protect agricultural land -- not encourage the sale of farmland to developers.

Posted on Sat, Aug. 27, 2005

Greenbelt law is helping local farmers

The Aug. 22 story *Law fails to save farmland* does not reflect the real consequences of attempting to change the greenbelt law.

The Dade County Farm Bureau estimates that as much as 90 percent of row-crop farmers lease land. Many farm their own land in addition to land owned by investors and others. If these landowners had no financial incentive to keep the land undeveloped, the consequences for farmers would be dire. For most, it would mean moving to another part of the state.

Miami-Dade County farmers are seeing the effects of supply and demand on land prices. With increased agricultural land values come hefty tax bills. Farmers are price-takers, not price makers. We take what the market gives us for perishable crops. We cannot pass along increased costs -- like fuel, taxes, land rents and labor -- to the end user. This is why it is vital that we do what we can to keep farmers farming.

As it becomes financially unbearable to farm, some farmers are forced to make a difficult decision whether to sell the farm. This decision is afforded to farmers by their constitutional property rights. Farmers should not be penalized with "back taxes with interest" for selling their land because trade agreements, farm debt, pests, diseases and poor market prices have made it financially impossible to farm. A serious issue that legitimate growers face is interpretation of the greenbelt law by county property appraisers. The Dade County Farm Bureau receives many phone calls from growers who are denied their rightful exemption by the property appraiser. Even though the use of the land has not changed, some growers do not receive their automatic renewal because of the property appraiser's interpretation of the law or staff errors.

Before people advocate for changes to the greenbelt law, they should remember that the devil is in the details.

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