

## COMMITTEE ON REVENUE ~ BILL SUMMARY

**Bill Number:** H.3969  
**Name:** AN ACT RELATIVE TO URBAN FARMLAND  
**Sponsor(s):** Rep. Orlando Ramos (Springfield)  
**Hearing Date:** July 15, 2025  
**Reporting Date:** September 13, 2025  
**Prior History:** N/A

### **CURRENT LAW:**

*M.G.L. c. 59 § 5 – Property tax exemptions:* Real and personal property is taxed by the municipality where it is located based on its fair cash value. However, certain items of property or portions thereof are exempted from taxation. For example, residents meeting certain criteria, including age, income, disability and/or veteran status are able to obtain complete or partial property tax exemptions. Certain property may be exempt due to the purpose it serves, such as providing renewable energy. With limited exceptions, a taxpayer may only receive one exemption under M.G.L. c. 59, § 5 for each fiscal year. If a taxpayer qualifies for more than one exemption, they will receive the one that provides the greatest benefit.

*M.G.L. c. 61A – Agricultural and horticultural land:* Under chapter 61A, certain qualifying property may be classified as agricultural and/or horticultural land and taxed as class 3, commercial property. In order to be classified as such, the land must be not less than 5 acres in area and must be actively devoted to agricultural or horticultural use during the tax year, and for at least the 2 immediately preceding tax years.

The valuation of such land is based on its current value as agricultural or horticultural land, rather than its full and fair cash value at its highest and best use.<sup>1</sup> Typically, this results in such land being assessed at a lower value, thus lowering property taxes. Land includes contiguous land under the same ownership that is not already valued under another category (residential, commercial, or industrial).

*M.G.L. c. 61A § 1 – Land in Agricultural use defined:* Land deemed to be agricultural use when primarily and directly used in raising animals, including, but not limited to, dairy cattle, beef cattle, poultry, sheep, swine, horses, ponies, mules, goats, bees, and fur-bearing animals, for the purpose of selling such animals or a product derived from such animals, or for the purpose of raising such animals and preparing them or the products derived from them for market.

*M.G.L. c. 61A § 2 – Land in Horticultural use defined:* Land considered to be in horticultural use when primarily and directly used in raising fruits, vegetables, berries, nuts, and other foods for human consumption, feed for animals, tobacco, flower, sod, trees, nursery or greenhouse products, ornamental plants, shrubs for the purpose of selling, or when primarily and directly used in raising forest products under a certified forest management plan.

### **PROPOSED CHANGE(S):**

This legislation aims to modify existing tax laws to support and incentivize urban farmland by creating a new category of "urban agricultural use" for smaller parcels of land. The changes will be implemented by adding a new Section 1A and new language to existing Sections 3 and 4 of Chapter 61A of the Massachusetts General Laws.

The bill defines urban agricultural land as property that is: located in an urban area, less than 5 acres in size, primarily used for agricultural or horticultural purposes, and generating at least \$300 annually in gross sales or qualifying for government agricultural support programs.

These smaller urban farms would now be eligible for the same tax valuation considerations as larger agricultural properties, which typically allows for lower property tax assessments based on the land's agricultural use rather than its potential market value.