

# AFPC Policy Brief



## ANALYSIS OF SB 161

Senate Bill 161 was introduced on January 16, 2024 by Senator Bjorkman. Current law requires municipalities to exempt farm use lands from property tax assessments. This bill would update these statutes to add farm operation structures to the required municipal tax exemptions. Additionally, SB161 would change the eligibility for this exemption by redefining “farm use” from the current definition which requires at least 10% of annual gross income to come from agricultural products from the farm use land in question, to at least \$1,000 of agricultural products produced off the land (consistent with the USDA definition) and the filing of a Schedule F with the IRS.

AFPC supports efforts to increase and protect agricultural land use. We appreciate the challenge in defining “farm use” to meet this goal, and encourage continued conversation to weigh the implications of different definitions. We fully support the inclusion of agricultural product *value*, that doesn’t require commercial sales to be eligible.

Below we provide considerations and recommendations for SB161 on behalf of the Alaska Food Policy Council.

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### Issue:

#### Definition of “livestock” appears too restrictive.

We understand that in legal terms, “includes” indicates a non-exhaustive list. However, the examples provided are within the auspices of USDA amenable species. Alaskans raise less traditional livestock such as yak, reindeer, and elk, and we would encourage consideration of additional language to provide absolute clarity that this list is not exclusive.

### Recommendation:

Amend the “farm use” definition of “livestock” to clearly broadly cover domesticated animals living in an agricultural setting and being raised to provide meat or other products by adding a phrase on line 27 to read:

(2) "livestock" includes **and is not limited to** cattle, hogs, sheep, goats, chickens, turkeys, pigeons, and other poultry raised to provide meat or other products for human consumption