
Wisconsin Legislative Council

ACT MEMO



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2023 Wisconsin Act 42
[2023 Assembly Bill 133]

**Farmland Preservation
Agreements and Tax Credits**

BACKGROUND

Wisconsin's farmland preservation program, administered by the Department of Agriculture, Trade and Consumer Protection (DATCP), encourages the preservation of land for agricultural use. Among other programs and incentives, the program authorizes municipalities and counties to adopt farmland preservation zoning ordinances. The program also authorizes DATCP to designate certain areas as "agricultural enterprise areas," if petitioned to do so by landowners and local governments. DATCP may also purchase agricultural conservation easements from willing landowners, together with local governments and nonprofit organizations.

Relevant to 2023 Wisconsin Act 42, the program authorizes farmland preservation agreements, which are agreements negotiated by DATCP and landowners to restrict the use of a given tract of land to agricultural and accessory or open space uses for a given period of time. In addition, the farmland preservation law authorizes tax credits for specified categories of qualifying acres, including qualifying acres that are located in a farmland preservation zoning district, subject to a farmland preservation agreement, or both.

2023 WISCONSIN ACT 42

2023 Wisconsin Act 42 makes the following changes to the farmland preservation law:

- Decreases the minimum term for farmland preservation agreements entered into after the act takes effect, from 15 years under prior law to 10 years under the act.
- Increases the amounts of the tax credits that eligible landowners may receive for qualifying acres. Specifically, the act increases those dollar amounts to:
 - \$12.50 (versus \$10 under prior law) per acre for qualifying acres that are **both**: (1) located in a farmland preservation zoning district; and (2) subject to a farmland preservation agreement.
 - \$10 per acre for all other qualifying acres (versus \$7.50 or \$5 under prior law, depending on the eligibility category).
- Expands eligibility for farmland preservation tax credits to land that is subject to an agricultural conservation easement purchased by DATCP.¹
- Requires DATCP to include a review of tax credit amounts in a report it must submit to the Legislature and certain state agencies every two years.

Effective date: December 8, 2023

For a full history of the bill, visit the Legislature's [bill history page](#).

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¹ However, if only part of a given farm is covered by such an agricultural conservation easement, then those acres must also be located in certain areas identified in the relevant county's farmland preservation plan.