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Farm Business Registration



2021 FBR – new online service, more time and extra flexibility

- We've redesigned our online registration process to make it easier for farmers to register their farm business. Visit www.agricorp.com/fbr for information on the program, and to register, renew or update information
- Farm businesses generating \$7,000 or more in gross farming income are required to register for an FBR number
 - Registrants must demonstrate that they have generated \$7,000 in gross farm income in the previous year
 - If a returning registrant's farm income for 2020 was negatively impacted by COVID-19, their gross farm income can be based on their 2019 tax return

2021 FBR – new online service, more time and extra flexibility

- New applicants will need to provide information such as:
 - Contact information
 - Accredited farm organization (AFO) selection
 - Information on the farm operation
 - Income and expenses
- To complete the registration process, Agricorp receives a payment from the registrant and forwards it to the AFO of the registrant's choice

2021 FBR – new online service, more time and extra flexibility

- Once registered, farmers will receive an invoice from Agricorp each January
- Payment for renewals is normally due March 1. In response to current uncertainties, this was extended to April 15 for 2021. Starting this year, new applicants may apply throughout the program year
- The AFO of choice is shown on the invoice. Registrants may change their AFO selection if they wish. This allows Agricorp to direct the payment to the AFO the customer chooses

Exemptions

- An exemption from the requirement to pay the fee and/or register due to religious beliefs may be requested through AFRAAT
- Additional exemptions may be applied for through the Farm Property Class Tax Rate Program if your gross farm income is below \$7,000

Linkages to Other Programs

Holding a valid FBR number is an eligibility criteria for participation in the following programs:

- Farm Property Class Tax Rate Program
 - Farmland taxed at no more than 25% of the residential property tax rate
- Ministry of Transportation farm vehicle license plates
 - Access to farm plates for farmers with valid FBR numbers including new plates and transfer of plates between vehicles
- Strategic Initiatives under Canadian Agricultural Partnerships
 - Visit www.omafra.gov.on.ca/english/cap/index.htm for more information
- Ontario Wildlife Damage Compensation Program
 - Covers livestock, honey bees, poultry killed and/or injured as a result of wildlife predation



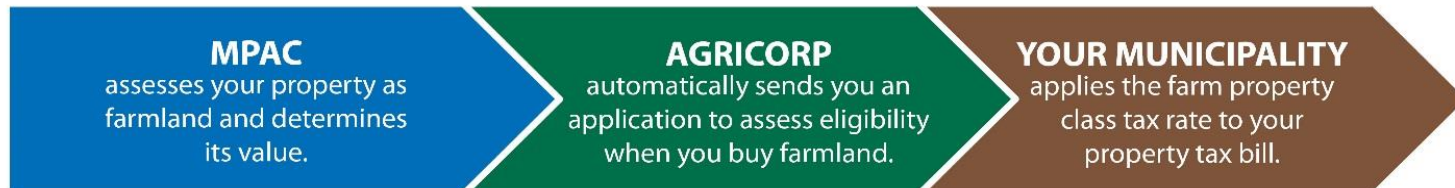
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Farm Property Class Tax Rate Program



Who Administers the Farm Property Class Tax Rate Program?

Agricorp, MPAC and municipalities work together to administer the program. The property tax rate is provided by the farmland owner's municipality.



Farm Property Class Tax Rate Program Overview

- Properties approved for the program are eligible for a reduced tax rate of no more than 25% of the municipality's residential tax rate
- Typically, the farm residence and one acre of land surrounding it are taxed at the municipality's residential tax rate
- The property classification and value is determined by MPAC
- Eligibility for the Farm Property Class Tax Rate Program is determined by Agricorp
- The property tax rate is determined and applied by the municipality

Eligibility

- To be eligible for the Farm Property Class Tax Rate Program, the following requirements must be met:
 - The property must be classified as farmland by MPAC
 - The property must be actively farmed by the owner, a tenant, or both
 - The farm business on the property must have a valid Farm Business Registration number and generate \$7,000 or more in gross farm income (or hold an approved exemption)
 - Property owners must be Canadian citizens or permanent residents

Eligibility

The property must be classified as farmland by MPAC

- MPAC classifies the property based on requirements set out in the *Assessment Act*
- MPAC reports all properties classified as farmland to Agricorp on a monthly basis, including property ownership
- If property ownership or other significant changes occur, Agricorp will automatically issue an application to the property owner
- If the property is not classified as farmland, property owners must contact MPAC to have the property reclassified. If the change is approved by MPAC, they will inform Agricorp, and an application will then be issued

Eligibility

- The property must be actively farmed by the owner, a tenant, or both, AND the farm business must have a valid FBR number
 - The farm business operating on the property must generate an annual gross farm income of at least \$7,000. All farm income and expenses need to be filed with the Canada Revenue Agency
 - The farm business must hold a valid FBR number in the year before the tax year. The FBR invoice needs to be paid to keep an FBR number valid
 - The FBR number must be renewed annually to maintain Farm Property Class Tax Rate Program eligibility
 - A gross farm income and/or religious exemption is required if a valid FBR number cannot be provided or maintained annually

Exemptions to having a Valid FBR Number

Allowable exemptions under the program are as follows:

- FBR religious exemptions:
 - Religious exemptions are approved by AFRAAT. Applicants must provide a copy of an exemption letter issued by AFRAAT to Agricorp
 - Must still meet the \$7,000 minimum gross farm income requirement
- Income exemptions:
 - Available when income is below \$7,000 due to a business structure change, start-up operation, not a normal production year and age, illness or death
 - An application must be made to Agricorp for approval
 - Income exemption application forms are available on agricorp.com
 - Gross farm income exemptions are granted for a defined period. They must either be renewed, or a valid FBR number must be provided on expiry to maintain eligibility under the program

Eligibility

Property owners must be a Canadian citizen or permanent resident

- If owned by a corporation, more than 50% of the voting shares must be legally owned by individuals who are Canadian citizens or permanent residents
- If owned by a partnership, more than 50% of the income or loss must be allocated to individuals who are citizens or permanent residents
- Requirements for other owner types are outlined in the *Assessment Act* and Ontario Regulation 282/98

Program Timelines

- MPAC reports property information to Agricorp on a monthly basis. If there are changes to ownership or other information, an application to the program is required
- Applications are generally issued/filed in the year prior to the taxation year
 - If MPAC reports a change in ownership in 2021, an application is generated for the 2022 tax year
 - If required during the property tax year, an application may be issued on request, e.g. if the property was purchased in 2021, and was not previously eligible for the program for the 2021 property tax year
- It is important to return applications by the given due date, and to maintain a valid FBR
- If a deadline has been missed, the property owner must contact Agricorp to discuss their situation

Annual Renewal

- Applications are multi-year, so once approved, the property will remain in the program and taxed at the farm property class tax rate as long as eligibility requirements continue to be maintained, including keeping the FBR number valid every year, and there are no significant changes (ownership, business structure, citizenship etc.)
- If a property becomes ineligible, the owner must reapply. The owner will need to call Agricorp to reapply for the program



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Provincial Premises Registry



Provincial Premises Registry (PPR)

- PPR is a premises registry open to all agri-food business owners and operators in Ontario
- Receive a Premises Identification Number and certificate
- Registration is voluntary
 - May be required to participate in some programs
- No cost to register
- Registration is available online at www.ontariopid.com
- Registrations can be made over the phone by calling Agricorp
- Agricorp operates the registry on behalf of OMAFRA

Provincial Premises Registry (PPR)

- A Premises ID is a number identifying a parcel of land where agri-food activities occur
- Each parcel of land registered will receive a unique number, and a certificate will be issued displaying the number
- Each premises is linked to a parcel of land, and not to a farm business

How to register

- Any agri-food business owner, operator, leaser or tenant can apply
- To register, you will need to provide your Assessment Roll Number (ARN) – your tax assessment number from the Municipal Property Assessment Corporation (MPAC)
- If you can't provide your ARN, you may provide the following:
 - Latitude and longitude coordinates
 - Municipal address
 - Legal land description (lot, concession, township)
- Activities should be reviewed and updated annually, and any time there is a change to contact information or activities

Why should I register?

- Traceability - Premises identification is the first step in establishing a traceability system
- High quality location information will assist emergency response efforts by improving emergency preparedness, responsiveness and management of risk due to natural disasters and diseases of plants or animals
- Enabling rapid identification of locations and facilities provides an effective means to isolate and control hazards and outbreaks, and establish proactive measures in monitoring, control and support. This is an important part of modern and effective approaches to animal health, plant health, food safety, related public health and forces of nature



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Other Programs



Other Programs Delivered by Agricorp

Risk Management Program

Ontario's Risk Management Program (RMP) helps producers manage risks beyond their control, like fluctuating costs and market prices. The program is available for the cattle, edible horticulture, grains and oilseeds, hog, sheep and veal sectors.

Production Insurance

Production Insurance covers production losses and yield reductions caused by insured perils. Depending on the plan, coverage is available on a total-yield or acreage-loss basis. Producers can choose the type and level of coverage that best meets their needs.

AgriStability

AgriStability covers large margin declines caused by production loss, increased costs or market conditions. If a producer's margin falls below 70 per cent of their recent average, AgriStability helps to offset the difference.

See www.agricorp.com for information on these and other programs

Agricorp contact information

General Information:

www.agricorp.com

Farm Business Registration:

www.agricorp.com/fbr

Farm Property Class Tax Rate Program:

www.agricorp.com/farntax

Provincial Premises Registry:

www.ontariopid.com

Telephone

(Mon. to Fri., 8:30 a.m. to 4:30 p.m.)

1-888-247-4999

TTY: 1-877-275-1380

Email

contact@agricorp.com