

Conservation Use Valuation Assessment

Answers to Frequently Asked Questions

How do I sign up for CUVA?

The Filing period is **January 1 through April 1**. The application, questionnaire form & other related details are available at the Habersham County Tax Assessors Office. You can also sign up during the 45-day appeal period when you receive your assessment notice. Please note: There is a **\$25 recording fee** due when the application is submitted. When an application is filed in the Tax Assessors office, the property owner will be asked how many acres of pasture land and timber land are on the parcel.

What is considered the allowable uses for a property in order to be eligible for CUVA?

The CUVA program includes but is not limited to: *Raising, harvesting, or storing crops, *Feeding, breeding or managing livestock or poultry, *Producing plants, trees, fowl or animals, *Production of aquaculture, horticultural, floriculture, dairy, livestock, poultry and apiarian products

How much land can I enter into CUVA?

Up to 2,000 acres in Georgia can be entered into CUVA per owner.

If I make application, what will the Habersham County Board of Tax Assessors look at to determine if I qualify?

The Habersham County Board of Assessors will review the current use application & questionnaire form, photos and any other property related documentation of the property seeking conservation use assessment. The Board will also review a Schedule E or F with IRS Form 1040 or Form 4835 if you are below the 10-acre limit. An appraiser from the Habersham County Tax Assessors' office will perform an on-site inspection of the property.

If I already have property under a covenant, can I add additional property to it?

If a qualified owner has entered into an original bona fide conservation use covenant and subsequently acquires additional qualified property contiguous to the property in the original covenant, the qualified owner may elect to enter the subsequently acquired qualified property into the original covenant for the remainder of the ten-year period of the original covenant: provided, however, that such **subsequently acquired qualified property shall be less than 50 acres & is not subject to a conservation use covenant.**

What do I do if I want to enter my land into CUVA but feel that I may want to develop some of the land before the 10 years is up?

The best approach would be to enroll only the land that you intend to keep in the qualifying use for the life of the covenant. This means our office will require a survey indicating the portion to be excluded from the covenant.

Can I lease my property for hunting purposes without creating a breach?

Yes- this shall NOT constitute another type of business

Can I charge admission for the use of fishing my lake?

Yes- this shall NOT constitute another type of business

Can I have a cell tower on my property while under Conservation?

Yes- But please note, the state of Georgia allows up to 6 acres to be separated out for a cell tower, but this will not constitute a breach. This cell tower property would no longer be eligible for CUVA.

Can I rent a house (rental, Airbnb, etc.) that is on my property?

You may rent a residence as long as there is 1.00 acre per building taken out of the covenant. O.C.G.A. 48-5-7.4(a)(1)(B) Please check with the Tax Assessors office before renting to verify 1.00 acre has been deducted.

If I choose to place my property in an LLC, Limited Partnership, or Family Farm Corporation for estate planning purposes, how will this affect my covenant?

Georgia Law and Regulations Reference 48-5-7.4 (C) (iv)

A family owned farm entity, such as a family corporation, a family partnership, a family general partnership, a family limited partnership, a family limited corporation, or a family limited liability company, **all of the interest of which is owned by one or more natural or naturalized citizens related to each other by blood or marriage within the fourth degree reckoning,** except that, solely with the respect to a family limited partnership, corporation, limited partnership, limited corporation, limited liability company may serve as a general partner of the family limited partnership and hold no more than a 5% interest in such family limited partnership, an estate of which the devisees or heirs are one or more natural or naturalized citizens, a trust of which of which the beneficiaries are one or more natural or naturalized citizens, or an entity created by the merger or consolidation of two or more entities which independently qualify as a family owned farm entity, and which family owned farm entity derived 80% or more of its gross income from bona fide conservation uses, including earnings on investments directly related to past or future bona fide conservation uses, within this state within the year immediately preceding the year in which eligibility is sought; provided, however, that in the case of a newly

formed family farm entity, an estimate of the income of such entity may be used to determine its eligibility.

****Please Note:** You will be asked to submit articles of corporation & the most recent Income Tax Return.

What happens if the original covenant holder dies during the life of the covenant?

If the original covenant holder dies before the CUVA expires, the agreement is nullified, and the covenant ends without penalty, or the heirs have the option to continue the covenant for the remainder of the time left in the covenant. Our office tries to notify every taxpayer's family that has passed away but sometimes names get missed due to passing away in a different county. **Please contact our office when a member of the covenant passes away.**

There are multiple owners on our piece of property so does everyone have to sign the application?

Yes- All owners must sign the application or file a notarized affidavit acknowledging one person to sign on their behalf.

What happens if I want to divide my property for estate planning purposes, and deed off portions while I am in the covenant?

If you do not change the use of the property, each party may be eligible to file for continuance of the original covenant. It would be wise to discuss any plans to divide with the Habersham County Tax Assessors office to make sure the division will be done in a manner that would not breach the covenant.

What happens if my spouse and I jointly own property entered into a CUVA covenant and we divorce during the covenant period with one of us gaining the deed to the property?

Department of Revenue Regulations state that when there is a change in ownership of property receiving current use assessment, the new owner must apply for a continuation of the covenant. This application must be made on or before the deadline for filing returns, which is April 1st.

If I have property that has been under CUVA for 10 years, will my covenant automatically be renewed at the end of 10 years?

No. You will be notified 60 days in advance of your covenant expiring when to come in and make a new application. If the owners fail to reapply for Conservation Use before April 1st of the following tax year, the Conservation Use Valuation will be removed.

If I had the exemption before, I should automatically qualify again, right?

Not necessarily. Ten years is a long period and many changes can occur. There have been many changes to the law since you first signed.

What happens if my property gets foreclosed on during the covenant period?

There is a penalty that needs to be paid. Generally, it is only the savings for the one year in which it was foreclosed on.

Can I sign up for CUVA if I have less than 10 acres of land?

You may sign up for CUVA with less than 10 acres provided that you submit a Schedule E or F with Form 1040 or Form 4835 that you file with your yearly income tax return.

What happens if I decide to sell my property while I'm under the Covenant?

If the covenant is broken, a penalty of twice the taxes saved by the taxpayer will be imposed. However, if the buyer of the property agrees to continue your covenant for the remainder of the time you have left, there will be No penalty as long as it is a qualifying owner and the use of the property remains the same.

******Before doing anything, please contact our office to be sure a breach will not occur.**

**For further information please contact
the Habersham County Tax Assessors
Office:**

**Monday – Friday
8:00 a.m. – 5:00 p.m.**

706-839-0100