
Understanding Licenses, Permits and Certifications for your Farm

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As with any business, your farm operation is subject to several laws and regulations. Farm operations also receive several exceptions or special provisions regarding taxes, land operations and the like. Below is a short listing of the commonly required permits or certifications for a farm. There may be others depending on your county, crop or sales channels.

Nutrient Management Plans: Farmers with either gross income of at least \$2,500 or 8 more animal units (1 animal unit is 1,000lbs) are required to have and follow a Nutrient Management Plan. These plans can be developed by a nutrient management advisor in your county Extension office or through private industry. You may also become certified to write your own plan. Plans are normally updated annually. More information is available here: http://mda.maryland.gov/resource_conservation/Pages/nutrient_management.aspx

Nutrient Voucher Applicator Card: Farm operators who apply nutrients (fertilizer, manure, compost) to at least 10 acres of land are required to have a nutrient applicator voucher. The requirement only applies if you, as the operator, apply the nutrient source. If a custom operator or fertilizer company spreads the nutrients, they are required to have a voucher. Vouchers can be obtained by attending a two hour voucher class once every 3 years. The class is conducted by the University of Maryland and there is no test or fee associated with the voucher. More information can be found at: http://mda.maryland.gov/resource_conservation/Pages/nutrient_management.aspx

Private Pesticide Applicator Certification: Farmers who want to purchase and apply Restricted Use Pesticides must first become certified as a private pesticide applicator. No certification is required to purchase general use pesticides, though you must abide by all label instructions. Certification is obtained by passing an examination administered by MDA. The certification is renewed every three years by attending a 2 hour recertification course. University of MD Extension provides review courses, has study materials and hosts the test and recertification in county offices. More information is available here: https://mda.maryland.gov/plants-pests/Pages/licensing_and_certification.aspx

Soil Conservation Plans: Soil Conservation Plans are voluntary plans which provides a blueprint for water and soil conservation practices on the farm. They are developed through the county based Soil Conservation Office. The plan can be a valuable tool for farmers to manage resources and improve profitability. A conservation plan is a working document designed to fit each individual farmer's needs. More information is available here: https://mda.maryland.gov/resource_conservation/Pages/technical_assistance.aspx

Agriculture Use Assessment: Maryland law provides that lands which are actively devoted to farm or agricultural use shall be assessed according to that use. Assume that a 100 acre parcel of land has a market value of \$3,000 per acre. The total value of the parcel would be \$300,000 (100 x \$3,000). The same 100 acre parcel receiving the agricultural use assessment based on a value of \$300 per acre would be \$30,000 (100 x \$300). The taxes using a combined tax rate of \$1.132 per \$100 of assessment would be \$339 [(\$30,000 ÷ 100) x \$1.132] under the agricultural use assessment and \$3,396 [(\$300,000 ÷ 100) x \$1.132] under the market value assessment – a difference of \$3,057 or \$30.57 per acre (source: MD Department of Assessments and Taxation). More information is available here:

<https://dat.maryland.gov/realproperty/Pages/The-Agricultural-Use-Assessment.aspx>

Organic Certification: Agriculture producers who plan to sell, label, or represent products as “organic” must meet the requirements of the National Organic Program (NOP) and be certified. The certification process typically takes three years, though there are exceptions. More information is available here:

https://mda.state.md.us/foodfeedquality/Pages/certified_md_organic_farms.aspx

Building Permits for Farm Structures: The requirements for building permits for farm structures vary by county. Many counties, especially in the rural tiers have reduced permitting requirements for farm buildings. New storm water management regulations are also now required for farm buildings which exceed a certain size. Always check with your local Planning and Zoning office for the county specific requirements.

Marketing and Food Processing: The sale of processed or adulterated food is regulated by several agencies. There are also regulations which affect the sale of products directly from the farm (direct sales) and requirements for collection of sales taxes. For a complete description of regulations surrounding marketing and food processing, visit:

<http://extension.umd.edu/mredc/specialty-modules/food-processing>

Water Appropriation and Use Permit: Required if you plan to withdraw more than 10,000 gallons of water a day based on an annual average withdrawal, from surface or underground waters for agricultural activities. Issued by the Maryland Department of the Environment. https://mde.state.md.us/programs/Water/Water_Supply/Pages/WaterAppropriationsOrUsePermits.aspx