



Protecting Your Farm Farmland Easement Agreements

Farmland Easement Agreements are the strongest tool available to farmland owners who want to protect their land forever. Farm families can partner with the Ontario Farmland Trust (OFT) to establish easement agreements that ensure their farmland will never be converted to urban development or other non-agricultural uses, while maintaining full ownership of their property.

A Farmland Easement Agreement:

Is a permanent, lasting agreement. Farmland Easement Agreements are private, legal contracts that are negotiated between property owners and OFT, and then registered on property title. The agreements ‘run with the land’, apply to all future owners, and can only be modified with approval from the Minister of Natural Resources and Forestry with proof that the changes will strengthen the protection of the property.

Ensures land use is dedicated to agriculture. Farmland Easement Agreements contain provisions, developed cooperatively between farmland owners and OFT, that limit or restrict land uses not compatible with agriculture. The easement supersedes municipal and provincial land use planning designations, ensuring that any future non-agricultural use remains prohibited because of the permanent easement on title.

Does not affect land ownership or your farm business. Farmland owners continue to own their land and maintain the right to sell their land or pass it on to the next generation, making easements a helpful succession planning tool. Farmland Easement Agreements do not restrict normal farm practices and are designed to support a wide range of farm types and agricultural uses.

Is unique and different in each situation. Every farm property, farm business, fiscal, and family situation is different. For these reasons, no two Farmland Easement Agreements are identical, with each agreement tailored to the land protection interests and needs of the individual farmland owner. Easement agreements can be used to make land more affordable for the next generation of farmers, protect an entire farm property, or protect a specific area of a property. The protection of forests and wetlands can be included, in addition to agricultural areas.

Introduces a long-term relationship between OFT and farmland owners. OFT will meet with the current and all future owners, usually once per year, to verify that the easement conditions are being met on the farm. If the Farmland Easement Agreement is breached by a future owner, OFT is legally obligated to take action to uphold the agreement.

Is enabled by provincial legislation. Farmland Easement Agreements in Ontario are enabled through the Conservation Land Act. They do not require municipal or provincial planning approvals.

Takes time. It can take a year or more to complete a Farmland Easement Agreement. Timing may be dependent on fundraising by OFT to cover project costs.

Tax Benefits and Financial Considerations

Farmland owners can receive tax benefits by entering into a Farmland Easement Agreement with OFT. Such benefits are intended to make farmland preservation achievable and affordable for farmland owners who choose to make this part of their legacy.

Farmland owners are compensated with a charitable tax receipt from OFT for the difference between the property's fair market value before the easement is in place, and the fair market value after the easement has been registered, as determined by a qualified appraiser. The easement value is treated as a charitable donation to OFT.

Also, if your farm includes significant natural features like a forest or wetland, your easement donation could qualify for enhanced tax benefits through Environment and Climate Change Canada's Ecological Gifts Program.

The timing of the easement registration and, therefore, the triggering of tax advantages can be an important factor to consider. In many cases, the tax benefits can be significant. It is strongly recommended that farmland owners seek legal and financial advice to fully understand the financial impact of an easement donation, and how to maximize the benefits for you and your family.

Next Steps

Contact OFT to notify us of your interest in protecting your farm. We will set up an initial conversation with you to discuss your land protection goals, the details of your property, and our process for protecting farmland. We may visit your farm to do a preliminary assessment of the property.

If we agree to work together to protect your farm, we will complete a survey, ecological assessment, and appraisal of the land. We will work out the details of the easement agreement together with you, finalize it, and register it on title.



The decision to protect your farm through a Farmland Easement Agreement can be a complex one, so please call OFT to ask any questions you may have about whether this is the right choice for you.

The Ontario Farmland Trust is the only province-wide organization with a mandate to permanently protect agricultural land for farming.



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