



Tax Incentives and Grants for CT Farmers

Did you know: As a Connecticut farmer, you may be eligible for grants and tax incentives that can assist you with your finances? This may mean lower tax payments, tax refunds, or cash payments in the form of grants.

CT State Taxes

When you buy farm machinery, equipment, tools, building materials, you may be eligible for a refundable **20% property tax credit** if you:

- Purchase technology, equipment, building infrastructure, and other tools placed in service after January 1, 2026 (unclear based on current legislation whether placed in service in 2025 qualifies) for agricultural production
- Use the asset for at least 5 years in CT, and
- At least 2/3 of your gross income is from farming.

If your tax bill is less than the 20% credit, you may be eligible for a cash refund. (Public Act 25-152)

You may also be eligible for a **Farmer Tax Exemption Permit** that allows you to buy farm equipment, fuel, and other suppliers without having to pay sales and use tax (currently 6.35%).

Further, up to **\$250,000 of your farm equipment and machinery** could be **exempt from property taxes** (which could range from 1.5% to 3.5% of your property's assessed value). To qualify, you must make at least \$15,000 of gross sales or prove at least \$15,000 in farm related expenses.

Your land may also qualify to be assessed at its **"use value"** which is generally lower than fair market or best value, which could mean a **lower property tax bill**.

Federal Taxes

You may also qualify for **federal tax benefits** to reduce your federal tax bill:

- Tax credits for **fuel** used in farming
- 30% credit for **clean energy** and qualified storage projects
- For **other federal tax benefits**, please consult [2024 Publication 225](#)

Our mission: TaxCoop – Network for Credits, Crops, and Climate Change, founded by Jack Siders '26, is dedicated to helping farmers access funding opportunities through tax incentives and grants. We place a strong focus on supporting farmers who practice environmentally friendly, sustainable, and conservation-oriented farming. Our mission is to encourage and expand sustainable agriculture in Connecticut by connecting farmers directly with the resources they need to succeed.

For more information or if you have questions, please contact us at TaxCoopCT@gmail.com.

This compilation of incentives and grants is not exhaustive. Legislation and funding availability change daily. All websites are provided in the QR code. Please review the websites and contact the resources listed for the latest available information.

Scan the QR code to find links and learn more



Revised November 4, 2025

Please see below for list of grants available to Connecticut farmers:

Grant / Program	Description	Award Range	Application Period
Farm Transition Grant (FTG)	Grants for new farmers, investments in farming infrastructure, innovation, and/or research and development	Up to \$49,999	Applications for the 2026 Farm Transition Grant will be accepted through Monday, January 12, 2026, at 4:00:00 PM.
CT Grown for CT Kids	Grant for administering or assisting in the development of a farm to school program	Up to \$5,000	Application period closed October 24, 2025.
Organic Certification Cost-Share	USDA organic certification costs	Up to \$750	As of July 2025, the USDA has provided funding for the Organic Cost Share Program. CT Dept. of Agriculture is awaiting further instruction from USDA on program implementation.
Climate Smart Agriculture & Forestry (NCTFA)	Grant provides funding for climate smart agricultural or forestry practices	Up to \$900	NCTFA is awarding microgrants of up to \$900 to Connecticut farms winter/spring 2025/2026 to fund small Climate Smart projects. Please visit www.taxcoopusa.org for link to apply.
Northeast SARE Farmer Grant	Grants to explore new concepts in sustainable agriculture	Up to \$15,000	2026 farmer grants are open. Proposals are due no later than 5pm December 9, 2025.
AFT Regenerative Livestock Farming Grant	Fund adoption of regenerative agriculture practices to support field-based conservation practice projects that improve soil health, water quality, and pollinator habitat	Up to \$10,000	Applications for the 2026 grant cycle is now closed.
Agricultural Management Assistance (AMA) Program, Conservation Stewardship Program (CSP), and Environmental Quality Incentive Program (EQIP)	Grants for conservation oriented farming practices	Various	While applications for conservation programs are accepted year-round, applicants should apply by state-specific application dates to be considered for 2025 funding. Applications received after deadlines may automatically be deferred to the next funding period. Please note that these programs are impacted by the current government shut down. Please check in frequently for updates.
Connecticut Crop Loss Grants	Federal funding designed to help small and mid-sized farmers recover from weather-related crop losses	Connecticut was awarded \$53m from the Farm Recovery and Support Block grant program	Fall 2025
Land Access Grant under Public Act 25-141	Land access grant to improve farmers' access to land	Various	Effective July 1, 2027
Agricultural Conservation Easement Program	Compensation for committing to maintaining farmland (you may get paid for giving up development rights). Protects working farmland from being developed; restore and protect wetlands	Up to 50% of fair market value of the development rights; up to 75% if land is especially important (e.g. grasslands)	Application period open. Please note that these programs are impacted by the current government shut down. Please check in frequently for updates.
Conservation Reserve & Wetland Programs (CRP, CREP, WRP)	Compensation for retiring land from agricultural production, providing numerous environmental benefits; restoration of wetlands	Average annual rent of \$100-\$300 per acre in CT; up to 50% of costs shared; grants may cover up to 100% of wetland observation costs	Application period open. Please note that these programs are impacted by the current government shut down. Please check in frequently for updates.

For links to forms for tax incentives and grants listed here, please visit us at www.taxcoopusa.org.

Please see below for links to websites providing detailed information on the tax incentives and grants listed:

Tax Incentives	Website and Resources
Public Act 25-152 (20% Tax Credit)	https://www.cga.ct.gov/2025/act/pa/pdf/2025PA-00152-R00SB-01497-PA.pdf
Farmer Tax Exemption Permit	https://portal.ct.gov/doag/commissioner/commissioner/sales-tax-exemption-for-farmers
Farmer Tax Exemption Permit Application - Form Reg 8	Click on link to Form Reg 8 on this website: https://portal.ct.gov/doag/commissioner/commissioner/sales-tax-exemption-for-farmers
Property Tax Exemption for up to \$100,000 on Farm Equipment and Machinery (increase to \$250,000 effective October 1, 2025)	https://portal.ct.gov/doag/commissioner/commissioner/agricultural-property-tax-exemptions-and-abatelements
Property Taxes Based on Use Value	https://caao.com/wp-content/uploads/PA-25-152-and-Declaration-of-Personal-Property-9.5.2025.pdf
Farmer's Tax Guide - Federal Tax Benefits For Farmers	https://portal.ct.gov/doag/commissioner/commissioner/public-act-490---the-basics https://www.irs.gov/publications/p225

Grant / Program	Website and Resources
Farm Transition Grant (FTG)	https://portal.ct.gov/doag/adarc/adarc/grants/farm-transition-grant
CT Grown for CT Kids	https://portal.ct.gov/doag/adarc/adarc/grants/ct-grown-for-ct-kids-grant
Organic Certification Cost-Share	https://portal.ct.gov/doag/adarc/adarc/grants/organic-certification-cost-share-grant-program
Climate Smart Land Stewardship Grant Program	https://ctconservation.org/programs/climate-smart/
Northeast SARE Farmer Grant	https://northeast.sare.org/grants/get-a-grant/farmer-grant-program/
AFT Regenerative Livestock Farming Grant	https://farmland.org/new-england-regenerative-livestock-farming-grants
Agricultural Management Assistance (AMA) Program, Conservation Stewardship Program (CSP), and Environmental Quality Incentive Program (EQIP)	https://www.nrcs.usda.gov/news/nrcs-announces-conservation-funding-opportunities-for-fy-2025
Connecticut Crop Loss Grants	https://portal.ct.gov/doag/press-room/press-releases/2025/february/farm-recovery-and-support-grant-update https://ctmirror.org/2025/08/18/ct-usda-disaster-relief-funds/
Land Access Grant under Public Act 25-141	https://www.cga.ct.gov/2025/act/pa/pdf/2025PA-00141-R00HB-05064-PA.pdf
Agricultural Conservation Easement Program	https://www.nrcs.usda.gov/programs-initiatives/acep-agricultural-conservation-easement-program
Conservation Reserve & Wetland Programs (CRP, WRP)	https://www.rff.org/publications/issue-briefs/conservation-reserve-program-and-wetland-reserve-program-primary-land-retirement-programs-for-promoting-farmland-conservation/#:~:text=Agricultural%20policy%20programs%20to%20encourage%20conservation%20of%20these,agricultural%20land%20retirement%20programs%20in%20the%20United%20States.