

## Advisory | Equine Industry Group



September 2023

### **Navigating Land Use, Development, and the Greenbelt Exemption for Florida's Equine Industry**

#### **Go-To Guide:**

- Over 70,000 acres of land in Florida is used for horse-related purposes, and the equine industry contributes billions of dollars to the state economy annually.
- Owners of equine businesses should consider leveraging the Greenbelt Exemption for its financial benefits.

Home to over 500,000 horses, Florida has a vibrant equine industry, renowned for its breeding, training, racing, and showing. This thriving industry contributes billions of dollars to the state economy annually. Maintaining a successful equine operation in the Sunshine State entails more than horse expertise, however—it requires a solid understanding of local land use regulations, development rules, and valuable agricultural property tax exemptions, such as the Florida Greenbelt Law, section 193.461, Florida Statutes.

According to the Florida Department of Agriculture, over 70,000 acres of land in Florida is used for horse-related purposes. Almost 30% of Florida farms are horse farms, and horse farms can be found in each of the state's 67 counties.

## **Understanding Florida's Land Use and Development Framework**

Land use and development in Florida are guided by the Comprehensive Plans that are reviewed and approved by the local governments and State of Florida. These are designed to balance Florida's growth with the preservation of its unique natural resources and agricultural heritage.

The local comprehensive plans lay out a long-term vision for each Florida community's future growth and development. They outline policies concerning infrastructure, environment, housing, open spaces, and more. Significantly for the equine industry, these plans designate areas for agricultural use where horse farms and other equestrian facilities may be established.

On the other hand, zoning is a more specific land-use regulation that determines the permitted uses within certain geographical areas. Equine operations generally fall within agricultural zones, where horse breeding, training, and other related activities are allowed. It's important for equine business owners to check the zoning of their prospective or existing property to ensure compliance.

## **Leveraging the Greenbelt Exemption in the Equine Industry**

A significant advantage available to agricultural landowners in Florida, including equine operations, is the Greenbelt Law, section 193.461, Florida Statutes. This provision offers property tax relief by assessing agricultural land based on its use value, not its potential market value.

This is a powerful tool for land preservation as it provides a financial incentive for landowners to continue agricultural operations, reducing the pressure to sell to developers. In the context of Florida's equine industry, this helps sustain horse farming operations and keep horses an integral part of the state's landscape.

The Greenbelt exemption also has immediate financial benefits for equine business owners. By reducing the assessed value of the land for tax purposes, it substantially lowers property taxes. This enables more resources to be allocated to enhancing horse breeding and training operations, investing in facility improvements, and creating jobs in the industry.

## **Navigating the Greenbelt Exemption Qualifications**

Qualifying for the Greenbelt exemption isn't automatic; it requires an active effort from property owners. The land must be used primarily for bona fide agricultural purposes. For the equine industry, this can include horse breeding, training, boarding operations, and other equestrian activities. Importantly, the activities must be conducted in good faith and with the intention of making a profit—and not merely as a hobby.

To apply for the exemption, property owners submit an **application** to the Property Appraiser's Office in the county where the property is located. This application should contain detailed information about the agricultural activities, evidence of these activities, and any other supporting documents.

For equine operations, crucial records may include breeding and foaling records, stud fees, registration papers, training logs, records of participation in horse shows or races, and records related to sales and purchases. Financial records showing income and expenses related to the agricultural operations also play an essential role in demonstrating bona fide agricultural use. A Florida local property appraiser may consider, for example, the filing of a Schedule F with the IRS, because there is an expectation that

individuals or entities engaging in commercial agricultural business should be making a profit. They may also consider business plans, and income and expense statements.

Once the exemption is granted, maintaining accurate, up-to-date records becomes even more important. Owners need to document the continued primary use of the land for agricultural purposes to confirm their continued eligibility for the exemption. Any significant changes in the use of the land can affect the status of the exemption and should be promptly reported to the property appraiser.

### **Understanding Land Use and Development in the Context of the Equine Industry**

The success of equine operations in Florida often hinges on understanding the intersection of land use, development, and tax exemptions like the Greenbelt Law. The strategic choice of location, taking into account comprehensive plans and zoning ordinances, is crucial in establishing and growing equine operations.

Furthermore, leveraging tax advantages like the Greenbelt exemption can significantly improve the financial viability of these operations. By maintaining thorough records and ensuring compliance with the requirements for agricultural use, equine businesses can secure significant tax savings year after year.

Navigating the land use and development landscape in Florida requires a comprehensive understanding of various laws and regulations, and with careful planning and strategic use of tax benefits, the equine industry can continue to thrive and play a significant role in Florida's agricultural sector while contributing to the state's growth and development.

## **Author**

This GT Advisory was prepared by:

- **Vanessa Palacio** | +1 305.579.0817 | [palaciov@gtlaw.com](mailto:palaciov@gtlaw.com)

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