

Policy: Requirements For a Business to Be Allowed to Enter Into a Conservation Use Covenant

The entity must be a family owned farm entity or a merger of family owned farm entities, owned by one or more naturalized citizens related within the fourth degree of reckoning; with exception according to 48-5-7.4 (C)(iv). At least 80% of the entity's gross income must be derived 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". This may be determined by most recent income filed or a letter from a CPA stating income.