



FOR IMMEDIATE RELEASE
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Applications Available for Pennsylvania Farm Conservation Tax Credit Program

Harrisburg, PA – Pennsylvania farmers who want to implement best management practices (BMPs) or purchase on-farm conservation equipment are encouraged to apply for remaining 2015-16 Resource Enhancement and Protection (REAP) program tax credits.

REAP is a tax credit program for agricultural producers who install BMPs or make equipment purchases that reduce erosion and sedimentation that impacts Pennsylvania's streams and watersheds. The program, administered by the State Conservation Commission, gives agriculture producers an incentive to purchase conservation equipment and materials to better protect the environment.

Farmers may receive tax credits of up to \$150,000 per agricultural operation for 50 to 75 percent of the project's cost. The most common projects approved are for no-till planting and precision ag equipment, waste storage facilities, Conservation Plans, Nutrient Management Plans and protecting heavy animal use areas like barnyards. REAP can be used in conjunction with other funding sources such as the Environmental Quality Incentive Program (EQIP) or the Chesapeake Bay Program for purchases.

The deadline for farmers to submit applications for remaining FY 2015-16 REAP tax credits is April 22, 2016.

"With the 2017 mid-point assessment for our Chesapeake Bay Watershed Implementation Plan in our view, we continue to take steps to bring balance and resilience to protecting the bay watershed," said Agriculture Secretary Russell Redding. "The agriculture industry is expected to make 75 percent of Pennsylvania's total nutrient load reductions, in large part because we show the greatest opportunity for achieving restoration of the bay.

"We're doing great work already to safeguard our local waterways and we're working to highlight the efforts of those in the industry doing that work. But we also know there's still more work to be done. I encourage farmers to take advantage of the funding REAP provides to help continue making conservation-minded capital improvements while we all work to meet co-equal goals of viable farms and clean water," Redding added.

Private investors may act as a sponsor by providing capital to producers as a project is approved in return for tax credits. Any individual or business subject to taxation through Personal Income Tax, Corporate Net Income Tax, Bank Shares Tax or others is eligible to participate in REAP.

Since the program began in 2007, REAP has awarded tax credits to 3,900 projects totaling more than \$50 million. Public and private enterprises investments in REAP have contributed to the conservation projects, worth more than \$128 million.

From 2010 to 2014, REAP has helped reduce an estimated runoff of nearly 1.4 million pounds of nitrogen, 84,000 pounds of phosphorus and 9,000 tons of sediment.

Despite this progress, achievements to meet water quality expectations have been deemed insufficient by the federal Environmental Protection Agency (EPA). Earlier this year, a comprehensive strategy to restore the health of the Chesapeake Bay was unveiled. The strategy focuses on:

- Putting high-impact, low-cost Best Management Practices (BMPs) on the ground, and quantify undocumented BMPs in watersheds impaired by agriculture or stormwater.
- Improving reporting, record keeping and data systems to provide better and more accessible documentation.
- Addressing nutrient reduction by meeting EPA's goal of inspecting 10 percent of farms in the watershed, ensuring development and use of manure management and agricultural erosion and sediment control plans, and enforcement for non-compliance.
- Identifying legislative, programmatic or regulatory changes to provide the additional tools and resources necessary to meet federal pollution reduction goals by 2025.
- Obtaining additional resources for water quality improvement.
- Establishing a Chesapeake Bay Office to coordinate the development, implementation and funding of the commonwealth's Chesapeake Bay efforts.

Producers are encouraged to participate in a BMP survey being conducted by Penn State Extension to help tell the story of agriculture and the work producers are doing to protect water quality in the state. The survey can be accessed at <http://agsci.psu.edu/aec/projects/help-tell-the-story-pa-farmer-survey>.

Applications for the 2015-2016 REAP program area available at www.agriculture.pa.gov by clicking "protect," then "State Conservation Commission," then "REAP," or by contacting Joel Semke at 717-705-4032 or jsemke@pa.gov.

For more information about the Chesapeake Bay strategy, visit the department's website homepage at www.agriculture.pa.gov. Click on "Chesapeake Bay" under the Hot Topics section.

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