

Briefing Note for:
James Mack,
Assistant Deputy Minister, Agriculture Science and Policy Division,
Ministry of Agriculture

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Author: Jeff Lee, BCHPA 1st Vice President.

Farm Classification for Honey Bees

This note is to brief you on two issues that affect beekeepers in British Columbia, particularly in regards to farm status and keeping bees for commercial pollination service.

Outline:

Under the *Assessment Act* and the *B.C. Reg. 411/95, The Classification of Land as a Farm Regulation*, (Farm Classification Regulation) apiculture is generally considered a qualifying farm use.

The procedures and allowances are more technical in nature, but generally land can qualify for farm status (which has a lower tax rate than other forms) under several cases:

1. if the total area of the farm is between 1.98 and 10 acres and has an annual farm income of \$2,500 or more;
2. If the total area of farm operation is more than 10 acres, then the income required is \$2,500 plus 5% of the actual value of the farm area;
3. If the total area is less than 1.98 acres, the income required is \$10,000.

(This applies to land both within and outside of the Agricultural Land Reserve, but not to land held for commercial, industrial or business purposes.)

In 2013, the provincial government implemented some of the recommendations of the *Farm Assessment Review Panel* that it struck in 2008-2009 to ensure the farm assessment process was fair.

However, the panel does not appear to have directly dealt with the issue of apiculture as it relates to farms, although some of the issues the panel did hear on have some impact on beekeeping, including split assessments and stud services for horse rearing.

Identification of a Problem:

The farm classification regulations include apiculture for the purposes of:

1. Production of honey and other hive products generated on the farm.
2. Raising and selling of nucleus colonies, queens and colonies (“breeding” and “livestock”).

However, they do not appear to consider two important issues beekeepers face.

1. **Pollination services** to other farmers, such as berry growers, tree fruit growers, vegetable farmers, etc. In 2008 the Ministry of Agriculture estimated the value of honeybee and bumblebee pollination to farmers in B.C. to be worth more than \$440 million.

Beekeepers who have a home or wintering yard but move those colonies into pollination on other farms are not allowed to claim that income towards the farm classification income requirements on land on which the bees are being overwintered or built up for spring.

This is a disincentive for both the beekeeper, who is providing a necessary farm service through the supply of livestock, and to the landowner, who may feel economic pressure to do something else with the land. Without land for a bee yard, the pollination beekeeper is unable to assist farmers.

The 2009 Farm Assessment Review Panel heard from people who recommended expanding farm income qualifiers to include services.

In 2013 the government did amend regulations to include horse stud services provided as part of horse rearing. There does not appear to have been any discussion of the pollination services beekeepers provide to commercial fruit and vegetable growers. However, it appears that one of the long-standing concerns of the B.C. Assessment to allowing agricultural services as farm income was the potential for abuse by people using “hobby” horses to qualify for farm status.

With the government now allowing stud services as a legitimate product as part of horse rearing, it is difficult not to argue that pollination services to commercial growers should not also be allowed.

3. **Forage.** The regulations also do not appear to take into account that bees need diverse wild forage. The assessors regularly rule out uncultivated land, trees or wild pasture as legitimate forage for bees; instead, they only calculate that land which is actually cultivated, or the small area on which the hives reside.

This policy continues despite a significant ruling in 2007 by the Property Assessment Appeal Board (*Appeal No. 2006-19-00023, Johnson, Rudy et al vs Assessor of Area #19 – Kelowna*) that found land outside of the Agricultural Land Reserve leased by a beekeeper met the criteria for classification as farm, specifically because the land in question was determined to be “used for primary agricultural production, specifically as forage for honeybees . . .”

As an example, the Assessment Authority continues to not consider a landowner’s standing trees and mixture of forage, such as , dandelions, maple trees and wild plants, to be forage for farm purposes. But as beekeepers know, these all provide important sources of pollen and nectar at critical times of the year. They also provide the very element that beekeepers produce: honey.

Frank Leonard, the co-chair of the 2009 Farm Assessment Review Panel said the panel received some commentary from beekeepers on southern Vancouver Island regarding split assessments.

However, he said he can’t recall whether the panel was aware of the 2007 Property Assessment Appeal Board decision *Appeal No. 2006-19-00023*.

But the panel did consider broad leaf maple and birch sap or syrup and in the 2013

amendments they were added as new qualifying agricultural products; those trees are predominantly not cultivated but could be considered “wild” forage. And yet beekeepers continue to have trouble convincing the B.C. Assessment Authority that their activities can qualify land, leased or owned, for farm classification.

Examples:

- A) In 2014 a beekeeper on Vancouver Island with 12 acres, mostly in maples and wild forage, was denied farm status, even though she produced more than the required farm gate income from bees, chickens and produce. She was told she could qualify for farm status if she cleared the acreage of trees and planted a cover crop. But to do so would have destroyed important spring, summer and fall forage for the bees. She declined, and her property was not classified as farm.
- B) In 2013 a land owner in Richmond with four acres in the Agricultural Land Reserve was denied farm status because the hives and storage shed on the leased three acres only covered 1/4 of an acre. The remaining uncultivated pasture was not considered for farm purposes even though it provided forage for the bees. The result: after being advised by Assessment Authority that uncultivated pasture doesn't qualify, the owner plowed the land, reseeded it with white dutch clover and then planted 500 blueberry bushes. He obtained farm status the following year. But this meant the loss of a varied protein source for the bees, and additional cost to the land owner.

There appears to be confusion and inconsistency as to how applications for farm status are applied by assessors, with the result that beekeepers are themselves unsure of the regulatory requirements.

How the Ministry of Agriculture can help

Although the B.C. Assessment Authority and farm classification regulations are overseen by the Ministry of Community, Sport and Cultural Development, the Ministry of Agriculture has responsibility for apiculture and can represent our issues to its sister ministry.

In its 2009 report, the Farm Assessment Review Panel looked at methods to improve farm assessment regulations and policies in B.C.

Some of the resulting recommendations have found their way into amendments and changes in regulations.

However, according to a panel member, there was no discussion or consideration of issues affecting apiculturalists, who provide valuable agricultural products and services.

Due to the nature of the industry and the fact most beekeepers do not own the land on which they operate, it appears that the government doesn't consider apiculture in the same vein as other agricultural processes.

In the case of the Kelowna beekeeper in *Appeal No. 2006-19-00023, Johnson, Rudy et*

al vs Assessor of Area #19 – Kelowna, the appeal board was asked to consider pollination services as being a “product”. Because the beekeeper already produced enough income from other products such as honey and nucleus colonies, the chair put the matter aside.

However, the appeal board chair cited other cases involving this question, noting that questions about wild forage and pollination services have come up before, and that other jurists had suggested *“the solution to this and other problems may have to be resolved through changes in the legislation or other means.”*

While we understand the government’s need to properly classify land for taxation purposes, it would assist B.C.’s beekeeping industry if modest changes are made to the farm classification system:

1. Permit honeybee pollination services for legitimate farms such as berry growers, cover crops, tree fruit growers, market gardens and other bona fide agricultural products to be considered as farm gate income for farm classification purposes;
2. Consider a portion of uncultivated land on which identified bee forage is located to qualify for farm status where a beekeeping operation is in place.

These changes would assist landowners who have land suitable for commercial beekeeping operations to more easily qualify for farm status. They would also strengthen the beekeeping industry by making marginal or uncultivable lands attractive for bee keeping operations, providing a valuable source of forage for bees.