

Preserving Land for Agriculture Now (PLAN): What You Need to Know

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What Is PLAN?

The Preserving Land for Agriculture Now (PLAN) program was established in 2026 to provide funding to landowners who voluntarily place a permanent conservation easement on agricultural or forest land, restricting future non-agricultural development while allowing continued agricultural and forestry production. Landowners retain ownership and the right to farm, but they are compensated for giving up the right to develop the land for non-agricultural uses. PLAN was created under Tennessee's 2025 Farmland Preservation Act and is administered by the Tennessee Department of Agriculture (TDA).

This fact sheet provides an overview of the PLAN program.

Application

- **Opens September 1, 2026; closes January 8, 2027**
- Must be submitted jointly by all parcel owners and a qualified easement holder (e.g., a land trust)

Eligible Land

- Agricultural land
 - Must contain less than 75 percent forest cover; and
 - Meet at least one of the program's listed land-use or classification conditions, such as agricultural zoning, farm property classification or enrollment in Greenbelt.
- Forest land
 - Must be at least 75 percent covered in forest; and
 - Meet additional requirements including having a qualifying multi-resource management plan approved by the state forester.
- Restrictions making land ineligible
 - The parcel is ineligible if it already has an existing permanent conservation easement.
 - The parcel must not contain structures or facilities whose primary purpose is commercial production of energy, but the property may have on-site energy production for localized needs.
 - Non-agricultural or non-forestry impervious surfaces (including public roads and utilities) may not exceed 5 percent of the parcel area.

Funding

- The total amount of funding for an application period will be set by the Tennessee Department of Agriculture.
- There is no minimum payment; however, a single application cannot receive more than 30 percent of the total funding during an application period.
- The ancillary cost pool is allocated to cover costs like surveys, appraisals and legal fees.

Key Points to Know and Consider

Based on the experience of neighboring states, demand is likely to exceed Tennessee's \$25 million one-time funding. For example, North Carolina received \$47 million in requests against \$18.2 million available in 2024, and South Carolina's program was oversubscribed in its first year. There are a few critical pieces of information to be aware of.

1. Is a conservation easement a permanent decision?

Yes. Unlike Greenbelt (which can be exited with a rollback penalty) or short-term Conservation Reserve Program-style contracts, a conservation easement runs with the land forever, binding all future owners.

2. Can a landowner apply alone?

No. PLAN applications require a partnership with a qualified easement holder — typically a land trust. Landowners should be encouraged to start that conversation early, since building the application (survey, appraisal, baseline documentation) takes time.

3. Is funding guaranteed?

No. Funding is competitive. Landowners should not assume enrollment is automatic simply because they meet minimum eligibility requirements. Applicants will be scored on characteristics of the parcel and property owners. More information on the scoring and selection can be found on the PLAN website.

4. How will applicants be selected for funding?

TDA has created a scoring system to decide which applications they will fund. Factors they will look at include development pressure on the parcel, surrounding population growth, parcel size, estate and management planning, soil quality, suitability for agriculture or forestry, as well as other factors.

5. What is the payment for?

Payment is for development rights, not full land value. Compensation reflects the difference between the land's unrestricted market value and its value restricted to agricultural/forest use — not the full appraised value of the property.

6. Are there tax and estate planning benefits?

Potentially. A conservation easement donation or bargain sale may have federal income tax and estate tax benefits. Landowners should consult a tax professional or attorney before applying.

7. Does PLAN replace succession planning?

No. Although the conservation easement will apply to future landowners, it does not create a succession plan or enroll the land in Tennessee's Greenbelt program. Farm families still need a transition plan for who will farm the land. PLAN only addresses the development-rights question. For more information on how to develop a succession plan, contact the UT Extension MANAGE team.

8. Does PLAN restrict the landowners' right to sell or transfer their land?

No. However, the conservation easement's restrictions are binding on all future owners.

9. Can the land still serve as collateral for a loan?

Yes. However, lenders may value the land differently after the easement. Landowners should discuss the program with their lender before applying.

10. Does an agricultural conservation easement require that the land be used for farming?

No. The easement does not require active farming, only that the land remains available for agricultural and forest use.

What Is the Next Step? (How should I apply if interested?)

- Review the program information and application portal.
- Applicants should identify all owners of the property and discuss the possibility of applying. Key property documents will need to be gathered.
- Explore land trust partners, as they will need to be part of the application for the conservation easement.
- Contact your local Extension office.
- Landowners should always consult a qualified attorney, financial advisor, tax professional and appraiser about applying.

Bottom Line

PLAN is a significant new tool for farmland preservation, but it is a permanent, competitive and legally complex decision for landowners. UT Extension can help landowners understand the basics of the PLAN program, connect with land trust partners and professionals early in the process, and set realistic expectations about program timelines and funding competitiveness. Landowners should seek legal, tax, and valuation opinions from qualified professionals who are able to fully consider each landowner's unique circumstances.

Online Resources

Preserving Land for Agriculture Now (PLAN): tn.gov/agriculture/farms/heritage/preserving-land-for-agriculture-now--plan-.html

PLAN FAQs: tn.gov/agriculture/farms/heritage/preserving-land-for-agriculture-now--plan-/plan-faq-s.html

Greenbelt program: comptroller.tn.gov/boards/state-board-of-equalization/sboe-services/greenbelt0.html

UT Extension MANAGE program: farmmanagement.tennessee.edu/the-manage-program/

UT Extension office locations: utextension.tennessee.edu/office-locations-departments-centers/



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