Resource Enhancement and Protection Program

Guidelines

Fiscal Year 2026

(July 1, 2026 – June 30, 2027)

State Conservation Commission
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Resource Enhancement and Protection (REAP) Program Guidelines 2026-27

The REAP Tax Credit Program, established in 2007, incentivizes private investment in water quality best management practices (BMPs) on agricultural operations in compliance with the PA Clean Streams Law. The program protects natural resources and enhances farm productivity by allowing farmers, landowners, and businesses to earn Pennsylvania state income tax credits for implementation of water quality BMPs.

For Fiscal Year 2026, $13 million in REAP tax credits are available to eligible applicants.

Eligible projects help resolve existing resource concerns on ag operations. REAP applications are evaluated on a first-come, first-served basis. For a comprehensive list of REAP-eligible BMPs, please refer to Attachment 1.

A. Applicant Eligibility: The applicant must be an individual or business subject to Pennsylvania income taxation such as Personal Income Tax, Corporate Net Income Tax, or Bank Shares Tax.

1. An agricultural operation must have the following to be eligible to receive REAP funding:
    - Current Agricultural Erosion and Sediment Control (E&S) Plans - meeting Chapter 102.4 requirements of the PA Clean Stream Law - for all acres operated.
    - A current Nutrient or Manure Management Plan meeting the standards of Chapter 83(Act 38) or Chapter 91 of the PA Clean Streams Law *(if animals are present or manure is applied).*
    - Full implementation of BMPs related to managing runoff from Animal Concentration Areas (ACAs), if applicable. ACA-related BMPs must be implemented before tax credits can be awarded for any other REAP-eligible BMPs (excluding Plans).
2. If an operation lacks the required plans, the REAP application must include plan development for all operational acres. To be considered current, all plans must be an accurate reflection of the management of the ag operation and must be on schedule for full implementation of the BMPs listed in the plan.
3. If an operation lacks full implementation of ACA-related BMPs, the REAP application must include those BMPs, with a schedule for implementation.
4. REAP credits may be reserved for applicants while plans are developed and written. REAP credits may be reserved for applicants while unfinished ACA-related BMPs are being implemented. However, no REAP credits will be awarded to the applicant until plans are complete and untreated ACA issues are resolved.

The Commission reserves the right to assess an ag operation's compliance with the PA Clean Streams Law and ACA status. Fraudulent activities, such as falsifying applicant eligibility verifications, may result in program exclusion.

B. Project Eligibility: Eligible projects must treat existing water quality resource concerns and must mitigate nitrogen, phosphorus, or sediment pollution runoff. Eligible resource concerns include:

- Nutrients and/or sediment transported to surface or groundwater
- Bank erosion from streams or water conveyance channels; elevated water temperature
- Soil organic matter depletion and soil organism habitat loss or degradation

1. Applications may include proposed or completed projects (or a mix of both). REAP tax credits are awarded upon completion of the approved project.

2. An agricultural operation is limited to one REAP-eligible project per funding round. PACS-certified farms may submit additional REAP-eligible projects per funding round. In addition, PACS-certified farms and participants in the PA Farmland Preservation program may submit REAP applications prior to the August 1st general opening of the program. If interested in obtaining PACS certification, please contact colimbert@pa.gov.

3. Projects are eligible for REAP tax credits for up to three years post-completion or for their designated REAP lifespan – whichever is shorter.

4. REAP tax credits are only awarded for farmers' out-of-pocket expenses. Projects involving public funding (e.g., ACAP, EQIP, etc.) are eligible but cannot receive tax credits for the publicly funded portion.

5. REAP reimbursement rates are as follows:
   - 50% REAP tax credit – eligible equipment, waste storage, field erosion BMPs, single species cover crop.
   - 75% REAP tax credit – BMPs related to ACA concerns, Plans, riparian forest buffers
   - 90% REAP tax credit – multi-species cover crops, stream crossings and exclusion of livestock from streams, extended riparian forest buffers, **no-till equipment in conjunction with riparian forest buffer** (see att 2), cover crop roller/crimpers.

6. A maximum of $250,000 in REAP tax credits may be awarded to an agricultural operation over any consecutive seven-year period (except as set forth in Paragraph D).

7. All projects must be maintained for their entire REAP lifespan. If a BMP is not maintained for its full lifespan, the recipient must return the awarded tax credit - unless the Commission approves a prorated adjustment.

8. Agricultural operation expansions over 25% are subject to a reduction of REAP-eligible costs – calculated by reducing by 50% the costs that exceed a 25% expansion. Eligible BMPs on expanding operations must be necessary to treat an existing resource concern.

The Commission reserves the right to deny applications for BMPs that exceed fair market value or do not align with program objectives. Fraudulent activities, such as falsifying BMP certification signatures or receipts, will result in program exclusion.

D. Sponsorship: A sponsor, such as banks, businesses, and individuals/family trusts, may fund a REAP-eligible project and receive the associated tax credits. Sponsored projects are exempt from the $250,000 limit per seven-year period, and the sponsored project does not count against cap amount set forth in paragraph C (6).

1. Sponsorship is reserved for proposed and recently completed projects (within one calendar year of application). Please contact the SCC for more information.

2. The sponsored agricultural operation must meet all eligibility criteria outlined in Section B.

3. Sponsors and agricultural operators must sign an agreement confirming compliance with REAP requirements. A sample sponsor agreement is available upon request.

The Commission reserves the right to limit the amount of REAP tax credits awarded to a single sponsor per funding cycle.

E. REAP Tax Credit Information: REAP income tax credits are used by the recipient to satisfy PA income tax liability on a dollar-for-dollar basis and can be carried forward for up to 15 years.

1. The PA Department of Revenue must verify PA tax compliance before authorizing the issuance of REAP tax credits.
2. REAP tax credits can be used against all income on a jointly filed or individual return.
3. Pass-through entities, such as partnerships or S-corporations, allocate credits to their individual members based on ownership share.

F. Sale/Assignment of Tax Credits

1. REAP tax credits may be sold or transferred after claiming the REAP tax credits against all PA income tax liability in the year of issuance. REAP tax credit can be sold/transferred one year from the date of issuance.
2. REAP tax credits may be transferred to family members each year through the sale/assignment process.
3. The seller must be tax-compliant before approval by Revenue of the sale/transfer.
4. Buyers and transfer recipients must claim the tax credits in the year of acquisition. Tax credits cannot be resold, reassigned, or carried forward by the buyer/assignee.
5. All proceeds from the sale of REAP tax credits is considered reportable income at all levels.
6. Recipients may arrange tax credit sales independently or through brokers that are registered with the PA Department of Revenue.
7. The REAP Tax Credit Sale/Assignment Application packet is available upon request and on the REAP webpage.

For additional information, refer to Act 13 of 2019, Sections 1701-E to 1710-E, or contact the State Conservation Commission at 717-787-8821. For specific tax-related inquiries, please consult a tax professional.

Attachment 1

REAP Best Management Practices (BMPs)

The following is a list of the most-commonly used REAP-eligible BMPs and the units that should be used for the REAP application.
Please contact SCC if you have questions regarding a specific BMP; or a water-quality BMP that is not listed below.

Planning BMPs

Agricultural Erosion & Sedimentation Plan (acres)

REAP Lifespan:	3 years
Tax Credit Rate:	75%
REAP Conditions:	The plan must meet the requirements of Chapter 102.4 of the PA Clean Streams Law.
Certification Requirements:	The plan must be written by a person trained and experienced in the writing of Ag E&S Plans; and in the pollution control methods and techniques applicable to Chapter 102.4.

Conservation Plan (acres)

REAP Lifespan:	3 years
Tax Credit Rate:	75%
REAP Conditions:	The plan must meet the requirements of Chapter 102.4 of the PA Clean Streams Law.
Certification Requirements:	The plan must be written by an NRCS-certified conservation planner.

Manure Management Plan (acres)

REAP Lifespan:	3 years
Tax Credit Rate:	75%
Additional Information:	DEP Land Application of Manure – Manure Management Plan Guidance DEP Manure Management Guidance
REAP Conditions:	The plan must meet the standards of Chapter 91 of the PA Clean Streams Law.
Certification Requirements:	The plan must be written by a person trained and experienced in the writing of an MMP; and in the pollution control methods and techniques applicable to Chapter 91.

Nutrient Management Plan (acres)

REAP Lifespan:	3 years
Tax Credit Rate:	75%
REAP Conditions:	The plan must meet Act 38 Standards.
Certification Requirements:	The plan must be written by an Act 38-certified specialist.

Variable Rate Nutrient Application Plan, Soil Health tests (acres)

REAP Lifespan:	3 years for tests; Annual (FY) for planning
Tax Credit Rate	75%
Additional Information:	**Soil Health tests** are eligible, e.g. Cornell, Haney, and Solvita. **Variable rate nutrient application planning** is eligible, e.g. precision grid soil sampling, data inputs for map-based and sensor-based site-specific variable rate application of nutrients.
REAP Conditions:	Submission of "as-applied" maps is required for variable rate application plan.

Equipment BMPs

Equipment Performance Upgrade Kits

REAP Lifespan:	3 years
Tax Credit Rate:	50%; REAP-eligible cost capped at $100,000 per purchase
Additional Information:	Refer to Attachment 2
REAP Conditions:	Upgrade kits must include precision nutrient placement capabilities
Certification Requirements:	Equipment must be certified by a qualified farm equipment dealer.

Composting Equipment

REAP Lifespan:	New Equipment - 7 years, Used Equipment - 3 years

Tax Credit Rate: 50%; REAP-eligible cost is capped at $50,000
Additional Information: Screeners, turning equipment, rotary drums, etc. Please contact the Commission for more info.
REAP Conditions: Composting must be included in the operation's Nutrient/Manure Management Plan.

Manure Injection Equipment, Manure Injection Dragline Equipment
REAP Lifespan: New Equipment - 7 years, Used Equipment - 3 years
Tax Credit Rate: 50%
Additional Information: Refer to Attachment 2. Injector bars/units are eligible; pumps and hose equipment for drag line systems are eligible.
REAP Conditions: Equipment must be capable of shallow injection of manure. REAP-eligible cost for injectors is capped at $70,000. REAP-eligible cost for drag line equipment is capped at $70,000.
Certification Requirements: Equipment must be certified by a qualified farm equipment dealer.

No-Till Planting Equipment – Planter or Drill
REAP Lifespan: New Equipment - 7 years, Used Equipment - 3 years
Tax Credit Rate: 50%; eligible cost cap: $200,000; see below for buffer and conservation area incentives
Additional Information: Refer to Attachment 2. See Attachment 2 for more information about buffer incentives.
REAP Conditions: Leasing of equipment does not apply.
Certification Requirements: Equipment must be certified by a qualified farm equipment dealer.

No-Till Planting Equipment – Integrated Erosion Control & Habitat Areas Incentive
REAP Lifespan: 7 years
Tax Credit Rate: 50%; eligible cost cap: $250,000
Additional Information: Applicants who have received REAP funding for 3 or more pieces of no-till equipment since 2019 (and have no eligible riparian areas) must implement an eligible Integrated Erosion Control & Habitat Areas to qualify. Applicants who have received REAP funding for less than 3 pieces of no-till equipment since 2019 are exempt from this requirement. Refer to Attachment 2 for more information.
REAP Conditions: Leasing of equipment does not apply. Eligible conservation plantings must be new in conjunction with equipment purchase; Completion of REAP Buffer Worksheet is required (p14 of the REAP application.)
Certification Requirements: Equipment must be certified by a qualified farm equipment dealer. Conservation plantings must meet the standards and specifications of the Commission (see Att1 -p10) and must be certified by a qualified individual. A maintenance agreement is required.

No-Till Planting Equipment – Riparian Forest Buffer Incentive
REAP Lifespan: 10 years
Tax Credit Rate: **90% - in conjunction with an eligible Riparian Forest Buffer;** eligible cost cap: $250,000
Additional Information: Refer to Attachment 2 for information
REAP Conditions: Leasing of equipment does not apply. Eligible conservation plantings must be new in conjunction with equipment purchase; Completion of REAP Buffer Worksheet is required (p14 of the REAP application.)
Certification Requirements: Equipment must be certified by a qualified farm equipment dealer. Riparian Forest Buffers must meet the standards and specifications of the Commission (see Att 1-p8) and must be certified by a qualified individual. A maintenance agreement is required.

Precision Nutrient Application Equipment
REAP Lifespan: 3 years
Tax Credit Rate: 50%; REAP-eligible cost capped at $80,000 per purchase
Additional Information: Nutrient application equipment components that enable automatic variable rate application. Refer to Attachment 2
REAP Conditions: Autosteer is not eligible for REAP tax credits. Leasing of equipment does not apply.
Certification Requirements: Equipment must be certified by a qualified farm equipment dealer.

Waste Storage and Animal Concentration Areas

Access Road (ft)
NRCS Practice Code: 560
REAP Lifespan: 7 years
Tax Credit Rate: 50%

REAP Conditions: This practice shall only be applicable to those locations on the farm where an improved travel-way is needed to access newly established REAP-eligible BMPs. REAP tax credits will not be authorized for any portion exceeding 14 feet in width or 200 feet in length.
Certification Requirements: Must meet the standards and specifications of the NRCS Field Office Technical Guide and must be certified by an individual with appropriate NRCS Job Approval Authority, PAS Job Approval Authority, or a certified Professional Engineer.

Animal Mortality Facility (no.)
NRCS Practice Code: 316
REAP Lifespan: 7 years
Tax Credit Rate: 50%
Additional Information: Applicants must include the REAP Storage Facility & Animal Heavy Use Area Protection Worksheet (p12 of the REAP Application).
REAP Conditions: The animal mortality composting facility must be included in the operation's Manure/Nutrient Management Plan. The dead animals must come from the producer's operation and may not come from outside sources.
Certification Requirements: Must meet the standards and specifications of the NRCS Field Office Technical Guide and must be certified by an individual with appropriate NRCS Job Approval Authority, PAS Job Approval Authority, or a certified Professional Engineer.

Composting Facility (no.)
NRCS Practice Code: 317
REAP Lifespan: 7 years
Tax Credit Rate: 50%
REAP Conditions: The composting facility must be included in an up-to-date Nutrient/Manure Management Plan. Spreading of the composted material must be done in accordance with an up-to-date Nutrient/Manure Management Plan. The composting operation must meet all PA-DEP criteria for composting. Production of mushroom compost does not apply. Composting of Food Processing Residuals does not apply. For composting animal mortalities, use **Animal Mortality Facility** guidelines.
Certification Requirements: Must meet the standards and specifications of the NRCS Field Office Technical Guide and must be certified by an individual with appropriate NRCS Job Approval Authority, PAS Job Approval Authority, or a certified Professional Engineer.

Heavy Use Area Protection (sq ft)
NRCS Practice Code: 561
REAP Lifespan: 7 years
Tax Credit Rate: 50%; 75% - ACA treatment
Additional Information: Applicants must include the REAP Project Summary Worksheet (p12 of the REAP Application).
REAP Conditions: Animal feed storage areas do not apply. Production of mushroom compost does not apply.
Certification Requirements: Must meet the standards and specifications of the NRCS Field Office Technical Guide and must be certified by an individual with appropriate NRCS Job Approval Authority, PAS Job Approval Authority, or a certified Professional Engineer.

Manure Aeration Equipment (no.)
REAP Lifespan: 7 years
Tax Credit Rate: 50%; REAP-eligible cost is capped at $50,000
Additional Information: Pipework, manifolds, pumps, etc. as approved by the Commission.
Applicants must include the REAP Project Summary Worksheet (p12 of the REAP Application).
REAP Conditions: The aeration equipment must be part of an up-to-date Manure/Nutrient Management Plan. Spreading of the aerated material must be done in accordance with an up-to-date Manure/Nutrient Management Plan. The manure aeration must meet all PA-DEP criteria for manure management.
Requires installation by a qualified manure aeration equipment installer/dealer (ex. Dairy Power technician Dairy Power Slurry Equipment)

Manure Separation Equipment (no.)
REAP Lifespan: 7 years
Tax Credit Rate: 50%
Additional Information: Used for the purpose of mechanically separating manure solids from the liquid portion.

REAP Conditions:	REAP-eligible costs for sand separation facilities are capped at $80,000.
Certification Requirements:	Must meet the standards and specifications of the NRCS Field Office Technical Guide and must be certified by an individual with appropriate NRCS Job Approval Authority, PAS Job Approval Authority, or a certified Professional Engineer.

Manure Separation Facility (no.)

Practice Code:	632
Lifespan:	7 years
Tax Credit Rate:	50%
Additional Information:	Used to house the mechanical separator and solids.
REAP Conditions:	REAP-eligible costs for sand separation facilities are capped at $80,000.
Certification Requirements:	Must meet the standards and specifications of the NRCS Field Office Technical Guide and must be certified by an individual with appropriate NRCS Job Approval Authority, PAS Job Approval Authority, or a certified Professional Engineer.

Pumping Plant for Wastewater Control (no.)

NRCS Practice Code:	533
REAP Lifespan:	7 years
Tax Credit Rate:	50%
Certification Requirements:	Must meet the standards and specifications of the NRCS Field Office Technical Guide and must be certified by an individual with appropriate NRCS Job Approval Authority, PAS Job Approval Authority, or a certified Professional Engineer.

Poultry/Livestock Housing Vegetative Buffers (ft)

NRCS Practice Code:	380 (Windbreak/Shelterbelt Establishment)
REAP Lifespan:	7 years
Tax Credit Rate:	50%
Additional Information:	Plantings must conform to USDA/NRCS Windbreak/Shelterbelt Establishment (380)-Technical Note No. 1, SCC Odor Management BMP Guide
REAP Conditions:	Establishment costs only. Plantings must be close to livestock housing and exhaust fans.
Certification Requirements:	Must meet the standards and specifications of the NRCS Field Office Technical Guide and must be certified by any Conservation District technician, NRCS technician, or private sector Technical Service Provider, who has appropriate training and experience in the BMP planning, design and installation methods applicable to the size and scope of the BMP being certified.

Roofs and Covers (sq ft)

NRCS Practice Code:	367
REAP Lifespan:	7 years
Tax Credit Rate:	50%; 75% - ACA treatment
Additional Information:	Applicants must include the REAP Project Summary Worksheet (p12 of the REAP Application).
REAP Conditions:	Practice applies to construction of roofing over Waste Storage Facility (313) and/or Heavy Use Area Protection (561). An operation is considered "new" within 2 years of the date of construction and therefore subject to policies regarding existing resource concerns and expansion.
Certification Requirements:	Must meet the standards and specifications of the NRCS Field Office Technical Guide and must be certified by an individual with appropriate NRCS Job Approval Authority, PAS Job Approval Authority, or a certified Professional Engineer.

Roof Runoff Structure (ft)

NRCS Practice Code:	558
REAP Lifespan:	7 years
Tax Credit Rate:	75% - ACA treatment
REAP Conditions:	This practice includes roof gutters, downspouts and outlets. Practice must include establishment of a stable outlet (see Underground Outlet). Repairs to a roof in preparation for this practice are not eligible for REAP tax credits.
Certification Requirements:	Must meet the standards and specifications of the NRCS Field Office Technical Guide and must be certified by an individual with appropriate NRCS Job Approval Authority, PAS Job Approval Authority, or a certified Professional Engineer.

Silage Leachate Management (no.)

Practice Code:	
REAP Lifespan:	7 years
Tax Credit Rate:	*50%*
REAP Conditions:	Practice applies to collection system for pollution runoff only
Certification Requirements:	Must meet the standards and specifications of the NRCS Field Office Technical Guide and must be certified by an individual with appropriate NRCS Job Approval Authority, PAS Job Approval Authority, or a certified Professional Engineer.

Underground Outlet (ft)

NRCS Practice Code:	620
REAP Lifespan:	7 years
Tax Credit Rate:	50%; 75% - ACA treatment
REAP Conditions:	This practice is to be used as a supporting practice to outlet water from other conservation practices such as roof runoff structure, terrace, and watering facilities. Pipes greater than 12" in diameter may require SCC site visit.
Certification Requirements:	Must meet the standards and specifications of the NRCS Field Office Technical Guide and must be certified by any Conservation District technician, NRCS technician, or private sector Technical Service Provider, who has appropriate training and experience in the BMP planning, design and installation methods applicable to the size and scope of the BMP being certified.

Waste Storage Facility [sq ft (solid), cu ft (liquid)]

NRCS Practice Code:	313
REAP Lifespan:	7 years
Tax Credit Rate:	50%
Additional Information:	Applicants must include the REAP Project Summary Worksheet (p12 of the REAP Application). SCC staff site visit may be required.
REAP Conditions:	REAP-eligible costs for sand separation facilities are capped at $80,000. Manure scrapers and flush systems are not eligible. Storage of Food Process Residuals or Biosolids is not eligible for REAP tax credits. Slatted floors are not eligible. An operation is considered "new" within 2 years of the date of construction and therefore subject to policies regarding existing resource concerns and expansion.
Certification Requirements:	Must meet the standards and specifications of the NRCS Field Office Technical Guide and must be certified by an individual with appropriate NRCS Job Approval Authority, PAS Job Approval Authority, or a certified Professional Engineer.

Waste Transfer [ft or no.(reception pits)]

NRCS Practice Code:	634
REAP Lifespan:	7 years
Tax Credit Rate:	50%
REAP Conditions:	Eligible in conjunction with Waste Storage Facility (e.g. reception pits). REAP tax credits are not authorized for: Portable pumps, pumping equipment, or other equipment for agitating, removing, distributing, or applying animal waste on farm ground.
Certification Requirements:	Must meet the standards and specifications of the NRCS Field Office Technical Guide and must be certified by an individual with appropriate NRCS Job Approval Authority, PAS Job Approval Authority, or a certified Professional Engineer.

Livestock Management/Rotational Grazing

Animal Trails and Walkways (sq ft)

NRCS Practice Code:	575
REAP Lifespan:	7 years
Tax Credit Rate:	75%
REAP Conditions:	Eligible in conjunction with Prescribed Grazing (528) only. REAP tax credit not authorized for any portion exceeding 12 feet in width.
Certification Requirements:	Must meet the standards and specifications of the NRCS Field Office Technical Guide and must be certified by an individual with appropriate NRCS Job Approval Authority, PAS Job Approval Authority, or a certified Professional Engineer.

Fence (ft) ***(****see Riparian and Water Quality section below for stream-bank fencing)*

NRCS Practice Code:	382
REAP Lifespan:	7 years
Tax Credit Rate:	50%; REAP-eligible costs capped at $5/ft.
Additional Information:	Fence that is part of an ACA-related BMP or is Waste Storage safety fence should be submitted as part of those BMPs.
REAP Conditions:	Used in conjunction with Prescribed Grazing (528) Plan only. REAP tax credits will be authorized for establishing permanent or temporary fence; utilizing new materials – unless otherwise justified by Prescribed Grazing. GPS or solar-powered mobile fencing systems are also eligible for REAP tax credits. Fence surrounding equine riding rinks is **not** eligible for REAP tax credits.
Certification Requirements:	Must meet the standards and specifications of the NRCS Field Office Technical Guide and must be certified by any Conservation District technician, NRCS technician, or private sector Technical Service Provider, who has appropriate training and experience in the BMP planning, design and installation methods applicable to the size and scope of the BMP being certified.

Livestock Shade Structure (no.)

NRCS Practice Code:	717
REAP Lifespan:	7 years
Tax Credit Rate:	50%
REAP Conditions:	Mobile shade structure eligible in conjunction with Prescribed Grazing (528) only. May not be placed within riparian or environmentally sensitive areas.
Additional Information:	**https://efotg.sc.egov.usda.gov/references/Delete/2011-10-15/717_LS_shade_struct_stand.pdf**
Certification Requirements:	Must meet the standards and specifications of the NRCS Field Office Technical Guide and must be certified by any Conservation District technician, NRCS technician, or private sector Technical Service Provider, who has appropriate training and experience in the BMP planning, design and installation methods applicable to the size and scope of the BMP being certified.

Pipeline (ft)

NRCS Practice Code:	516
REAP Lifespan:	7 years
Tax Credit Rate:	50%
REAP Conditions:	Eligible as a component of livestock watering systems in conjunction with Prescribed Grazing (528) only. Pipeline to a new barn, domestic water supply, or irrigation is not eligible.
Certification Requirements:	Must meet the standards and specifications of the NRCS Field Office Technical Guide and must be certified by any Conservation District technician, NRCS technician, or private sector Technical Service Provider, who has appropriate training and experience in the BMP planning, design and installation methods applicable to the size and scope of the BMP being certified.

Silvopasture (ac)

REAP Lifespan:	7 years
Tax Credit Rate:	50%
Additional Information:	Contact SCC for more information.
REAP Conditions:	Practice applies to non-riparian areas only, in conjunction with rotational grazing systems (528). Establishment of new trees and other elements of the silvopasture system are eligible. No part of the silvopasture project may involve removal of existing trees.
Certification Requirements:	Must meet the standards and specifications of the NRCS Field Office Technical Guide and must be certified by any Conservation District technician, NRCS technician, or private sector Technical Service Provider, who has appropriate training and experience in the BMP planning, design and installation methods applicable to the size and scope of the BMP being certified.

Spring Development (no.)

NRCS Practice Code:	574
REAP Lifespan:	7 years
Tax Credit Rate:	50%; **90% - with animal exclusion from streams in an ag-impaired watershed**
REAP Conditions:	Eligible in conjunction with Prescribed Grazing (528) only. Collection lines capped at 1,200 feet. For collection systems greater than 1,200 feet, SCC staff approval is required.
Certification Requirements:	Must meet the standards and specifications of the NRCS Field Office Technical Guide and must be certified by any Conservation District technician, NRCS technician, or private sector Technical

Service Provider, who has appropriate training and experience in the BMP planning, design and installation methods applicable to the size and scope of the BMP being certified.

Watering Facility (no.)

Practice Code:	614
REAP Lifespan:	7 years
Tax Credit Rate:	50%; **90% - in conjunction with animal exclusion from streams in an ag-impaired watershed**
REAP Conditions:	Eligible in conjunction with Prescribed Grazing (528) only. REAP tax credits authorized for permanently or temporarily located facilities within grazing paddocks or pastures.
Certification Requirements:	Must meet the standards and specifications of the NRCS Field Office Technical Guide and must be certified by any Conservation District technician, NRCS technician, or private sector Technical Service Provider, who has appropriate training and experience in the BMP planning, design and installation methods applicable to the size and scope of the BMP being certified.

Water Well (no.)

NRCS Practice Code:	642
REAP Lifespan:	7 years
Tax Credit Rate:	50%
REAP Conditions:	Eligible in conjunction with Prescribed Grazing (528) and Watering Facility only. REAP tax credits not authorized for providing water for the farm headquarters or domestic use.
Certification Requirements:	Must meet the standards and specifications of the NRCS Field Office Technical Guide and must be certified by any Conservation District technician, NRCS technician, or private sector Technical Service Provider, who has appropriate training and experience in the BMP planning, design and installation methods applicable to the size and scope of the BMP being certified.

Erosion & Sediment Control

Critical Area Planting (ac)

NRCS Practice Code:	342
REAP Lifespan:	7 years
Tax Credit Rate:	50%; 75% ACA treatment
Certification Requirements:	Must meet the standards and specifications of the NRCS Field Office Technical Guide and must be certified by an individual with appropriate NRCS Job Approval Authority, PAS Job Approval Authority, or a certified Professional Engineer.

Diversion (ft)

NRCS Practice Code:	362
REAP Lifespan:	7 years
Tax Credit Rate:	50%; 75% ACA treatment
Certification Requirements:	Must meet the standards and specifications of the NRCS Field Office Technical Guide and must be certified by an individual with appropriate NRCS Job Approval Authority, PAS Job Approval Authority, or a certified Professional Engineer.

Grassed Waterway (sq ft)

NRCS Practice Code:	412
REAP Lifespan:	7 years
Tax Credit Rate:	50%;
Certification Requirements:	Must meet the standards and specifications of the NRCS Field Office Technical Guide and must be certified by an individual with appropriate NRCS Job Approval Authority, PAS Job Approval Authority, or a certified Professional Engineer.

Lined Waterway or Outlet (sq ft)

NRCS Practice Code:	468
REAP Lifespan:	7 years
Tax Credit Rate:	50%;
REAP Conditions:	Used where vegetation alone will not provide adequate stabilization.
Certification Requirements:	Must meet the standards and specifications of the NRCS Field Office Technical Guide and must be certified by an individual with appropriate NRCS Job Approval Authority, PAS Job Approval Authority, or a certified Professional Engineer.

Sinkhole and Sinkhole Area Treatment (no.)

Practice Code:	*527*
Lifespan:	7 years
Tax Credit Rate:	*50%*
Certification Requirements:	Must meet the standards and specifications of the NRCS Field Office Technical Guide and must be certified by an individual with appropriate NRCS Job Approval Authority, PAS Job Approval Authority, or a certified Professional Engineer.

Structure for Water Control (no.)

NRCS Practice Code:	587
REAP Lifespan:	7 years
Tax Credit Rate:	50%;
REAP Conditions:	REAP tax credits not authorized for the installation of structures designed to impound water for irrigation, recreation, household water; or to create ponds.
Certification Requirements:	Must meet the standards and specifications of the NRCS Field Office Technical Guide and must be certified by an individual with appropriate NRCS Job Approval Authority, PAS Job Approval Authority, or a certified Professional Engineer.

Subsurface Drain (ft)

NRCS Practice Code:	606
REAP Lifespan:	7 years
Tax Credit Rate:	50%
REAP Conditions:	Eligible as a companion practice for other REAP-eligible BMPs (except for Cover Crop).
Certification Requirements:	Must meet the standards and specifications of the NRCS Field Office Technical Guide and must be certified by any Conservation District technician, NRCS technician, or private sector Technical Service Provider, who has appropriate training and experience in the BMP planning, design and installation methods applicable to the size and scope of the BMP being certified.

Terrace (ft)

NRCS Practice Code:	600
REAP Lifespan:	7 years
Tax Credit Rate:	50%
Certification Requirements:	Must meet the standards and specifications of the NRCS Field Office Technical Guide and must be certified by an individual with appropriate NRCS Job Approval Authority, PAS Job Approval Authority, or a certified Professional Engineer.

Underground Outlet (ft)

NRCS Practice Code:	620
REAP Lifespan:	7 years
Tax Credit Rate:	50%; 75% - ACA treatment
REAP Conditions:	This practice is to be used as a supporting practice to outlet water from other conservation practices such as roof runoff structure, terrace, and watering facilities. Pipes greater than 12" in diameter may require SCC site visit.
Certification Requirements:	Must meet the standards and specifications of the NRCS Field Office Technical Guide and must be certified by an individual with appropriate NRCS Job Approval Authority, PAS Job Approval Authority, or a certified Professional Engineer.

Riparian & Stream Protection

Riparian Forest Buffer (ft)

NRCS Practice Code:	391
REAP Lifespan:	10 years
Tax Credit Rate:	50% rate when used in conjunction with 35' average width of the practice; **90% for 35+ foot minimum width in an ag-impaired watershed.**
Additional Information:	*NRCS Riparian Forest Buffer (Ac.) (391) Conservation Practice Standard*, *PA DEP Riparian Forest Buffer Guidance*;
REAP Conditions:	Buffer establishment cost only (see below for buffer maintenance). Completion of REAP Buffer Worksheet is required (p14 of the REAP application.) A buffer maintenance agreement is

required at time of certification. This practice is available to agricultural and non-agricultural operations.

Certification Requirements: Must meet the standards and specifications of one of the following: NRCS Field Office Technical Guide, DCNR, DEP, or a qualified NGO that has sufficient experience in the implementation of Riparian Forest Buffers. The buffer must be certified by a Conservation District technician, NRCS technician, or other technical service provider who has appropriate training and experience in the planning, design and implementation of Riparian Forest Buffers.

Riparian Forest Buffer Maintenance (ft)

NRCS Practice Code: 391

REAP Lifespan: annual (FY)

Tax Credit Rate: **90% for 35+ foot minimum width buffer.**

Additional Information: *NRCS Riparian Forest Buffer (Ac.) (391) Conservation Practice Standard* , PA DEP Riparian Forest Buffer Guidance

REAP Conditions: Completion of the REAP Buffer Maintenance Worksheet (p15 of the REAP application - or equivalent) is required.

Certification Requirements: Must meet the standards and specifications of one of the following: NRCS Field Office Technical Guide, DCNR, DEP, or a qualified NGO that has sufficient experience in the implementation of Riparian Forest Buffers. The buffer must be certified by a Conservation District technician, NRCS technician, or other technical service provider who has appropriate training and experience in the planning, design and implementation of Riparian Forest Buffers.

Stream Crossing (no.)

NRCS Practice Code: 578

REAP Lifespan: 7 years

Tax Credit Rate: 50%; **90% - in conjunction with Prescribed Grazing and with animal exclusion from streams in an ag-impaired watershed**

REAP Conditions: Animal and agricultural equipment crossings are eligible. Culvert crossings are not eligible. REAP tax credits are not authorized for any portion exceeding 12 feet in width.

Certification Requirements: Must meet the standards and specifications of the NRCS Field Office Technical Guide and must be certified by an individual with appropriate NRCS Job Approval Authority, PAS Job Approval Authority, or a certified Professional Engineer.

Fence - Streambank (ft)

NRCS Practice Code: 382

Lifespan: 7 years

Reimbursement Rate: 50%; 75% - in conjunction with 35+ ft buffer; 90% - in conjunction with 50+ ft buffer from streams in an ag-impaired watershed; REAP-eligible costs capped at $5.00/ft

REAP Conditions: REAP tax credits will be authorized for establishing permanent fence used for excluding animals from stream areas; in conjunction with Prescribed Grazing (528) Plan only. Utilizing new materials. REAP tax credits not authorized for removal and/or upgrade of existing fence.

Certification Requirements: Must meet the standards and specifications of the NRCS Field Office Technical Guide and must be certified by any Conservation District technician, NRCS technician, or private sector Technical Service Provider, who has appropriate training and experience in the BMP planning, design and installation methods applicable to the size and scope of the BMP being certified.

Streambank and Shoreline Protection (ft)

NRCS Practice Code: 580

REAP Lifespan: 7 years

Tax Credit Rate: 50%

Additional Information: Applicant is responsible for all local, state and federal permits and approvals that may be required. This practice is available to agricultural and non-agricultural operations.

REAP Conditions: Used to stabilize stream banks eroded due to excessive water flow or livestock activity.

Certification Requirements: Must meet the standards and specifications of the NRCS Field Office Technical Guide and must be certified by any Conservation District technician, NRCS technician, or private sector Technical Service Provider, who has appropriate training and experience in the BMP planning, design and installation methods applicable to the size and scope of the BMP being certified.

<u>Cover Crops</u>

Cover Crop (ac)

REAP Lifespan:	Annual (FY)
Tax Credit Rate:	50%; **90% for multi-species Cover Crop in an ag-impaired watershed**
Additional Information:	Refer to <u>Attachment 3</u>.
REAP Conditions:	Mechanical harvesting of cover crops is prohibited. REAP-eligible costs are capped at $70,000.
Certification Requirements:	Farmer Certification*;* Subject to random spot check by SCC staff; Applicants must complete Cover Crop Worksheet (p13 of the REAP Application).

Cover Crop Equipment

REAP Lifespan:	Roller/Crimpers – 7 years (new), 3 years (used). Drones – 3 years
Tax Credit Rate:	50%; 90% for Cover Crop Rollers in an ag-impaired watershed
Additional Information:	Refer to <u>Attachment 2</u>. Equipment used to enhance the use of cover crops on an ag operation, e.g., cover crop roller/crimpers, drones, other.
REAP Conditions:	The equipment's primary use must be the establishment and management of cover crops. Broadcast seeders (except cover crop drones) are not eligible for REAP tax credits.

<u>Integrated Erosion Control & Habitat Buffers</u>

Vegetated Treatment Area (ac)

Practice Code:	635
Lifespan:	7 years
Tax Credit Rate:	50%; 75% ACA treatment
Certification Requirements:	Must meet the standards and specifications of the NRCS Field Office Technical Guide and must be certified by an individual with appropriate NRCS Job Approval Authority, PAS Job Approval Authority, or a certified Professional Engineer.

Integrated Erosion Control & Habitat Areas (ac)

REAP Lifespan:	7 years
Tax Credit Rate:	50%; **90% for projects in ag-impaired watersheds**
Eligible Practices:	Filter Strips (393), Field Borders (386), Contour Buffer Strips (332), Conservation Cover Areas (327), Windbreak/Shelterbelt Establishment and Renovation (380), Wildlife Habitat (420)
Additional Information:	This integrated system combats agricultural runoff to protect water resources while establishing wildlife corridors and pollinator habitats. It improves soil health through organic matter retention and compaction reduction while sequestering carbon through perennial vegetation growth. The approach addresses erosion control, water quality protection, biodiversity enhancement, and climate resilience in ag landscapes.
REAP Conditions:	Grazing prohibited in designated buffer zones.
Certification Requirements:	Must meet the standards and specifications of the NRCS Field Office Technical Guide and must be certified by any Conservation District technician, NRCS technician, or private sector Technical Service Provider, who has appropriate training and experience in the BMP planning, design and installation methods applicable to the size and scope of the BMP being certified.

Attachment 2

REAP Equipment Guidelines

Attachment 2 (REAP Equipment Guidelines) outlines the eligibility criteria and specifications for agricultural equipment purchases under the FY 2026 REAP program. REAP-eligible equipment is designed to support sustainable farming practices and includes no-till planters and drills, precision nutrient application systems, manure injection equipment, cover crop tools, and precision upgrade kits.

Please note the following:

- ❖ The REAP tax credit rate for all equipment is 50% unless otherwise noted (see REAP Buffer Incentive and Cover Crop Roller/Crimper).
- ❖ All equipment must be delivered by **June 30, 2027**, and must be used on farmland operated by the applicant.
- ❖ The SCC reserves the right to deny an application for equipment if the cost is not within fair market values as determined by the Commission.
- ❖ The SCC reserves the right to deny an application that does not meet the purpose set forth for the equipment by the Commission.
- ❖ For non-PA residents, the REAP-eligible cost of no-till equipment will be capped at $50,000, and Revenue will determine the tax compliance status of individuals prior to SCC processing the REAP application.

Equipment Specifications

1. **No-Till Planting Equipment**

   - **Purpose**: This equipment is intended for seed placement in untilled soil while maintaining residue cover to promote soil health.
   - **Eligible Equipment**: No-till planters and no-till drills. Refurbishing used equipment before the first use is eligible. Installation must be performed by a qualified farm equipment dealer.
   - **Certification Requirement**: Requires a qualified farm equipment dealer Certification form (App p8).
   - **Lifespan**: New equipment has a REAP lifespan of **7 years**, while used equipment has a lifespan of **3 years.**
   - **Cost caps:** Eligible cost of equipment older than Model Year 2006 will be capped at $15,000.
   - **Exclusions**: Strip-till/Zone-till equipment is not eligible. No-till coulters are not necessary for a planter to be considered a no-till planter.

   REAP BUFFER INCENTIVES

   <u>Level 1 (Basic)</u>: REAP credit is 50% of purchase price and eligible cost is capped at $200,000. Level 1 reimbursement applies to ag operations that have received REAP tax credits on 3 or more pieces of no-till equipment in the past 7 years. Level 1 applicants are eligible to move to Level 2 or Level 3 by installing Integrated Erosion Control/Habitat areas or Riparian Forest buffers.

   <u>Level 2 (Integrated Erosion Control & Habitat Area Incentive):</u> REAP credit is 50% of purchase price and eligible cost is capped at $250,000. Applies to:

   A. Ag operations that have received REAP tax credits on fewer than 3 pieces of no-till equipment in the past 7 years.
   <u>OR</u>
   B. Ag operations that have no eligible riparian areas <u>and</u> install an eligible Integrated Erosion Control & Habitat Area at the time of purchasing the no-till equipment.

Eligible Integrated Erosion Control & Habitat Areas must be at least ½ acre in size and must be maintained according to REAP Guidelines for 7 years. The following area plantings apply: Filter Strips (393), Field Borders (386), Conservation Cover Areas (327), Windbreak/Shelterbelt Establishment and Renovation (380), Wildlife Habitat (420)

Eligible Integrated Erosion Control & Habitat Areas must meet the standards and specifications of the NRCS Field Office Technical Guide and must be certified by any Conservation District technician, NRCS technician, or private sector Technical Service Provider, who has appropriate training and experience in the BMP planning, design and installation methods applicable to the implementation of the BMP.

Level 3 (Riparian Forest Buffer Incentive): REAP credit is 90% of purchase price and eligible cost is capped at $250,000. Level 3 funding applies to ag operations that install (or have recently installed) a new riparian forest buffer on all stream frontage **owned** by the ag operation. The buffer must have a minimum width of 35 feet.

Eligible Riparian Forest Buffers must meet the standards and specifications of one of the following: NRCS Field Office Technical Guide (391), DCNR, DEP, or a qualified NGO that has sufficient experience in the implementation of Riparian Forest Buffers. The buffer must be certified by a Conservation District technician, NRCS technician, or other technical service provider, who has appropriate training and experience in the planning, design and implementation of Riparian Forest Buffers. A buffer maintenance agreement is required at the time of certification.

The SCC reserves the right to determine the eligibility of ag operations for Level 2 or Level 3 funding; and reserves the right to determine the eligibility of a riparian forest buffer regarding Level 3 funding. Please contact the SCC at 717-787-8821 for more information.

2. **Manure Injection Equipment**

- **Purpose**: This equipment must perform shallow manure injection at a depth of 4 inches or less to promote better nutrient use efficiency while minimizing soil disturbance.
- **Eligible Equipment**: Manure injectors, manure injection drag line equipment (e.g. pumps, hoses, reels)
- **Certification Requirement**: Requires a qualified farm equipment dealer Certification form (App p9).
- **Lifespan**: New equipment has a REAP lifespan of **7 years**, while used equipment has a lifespan of **3 years.**
- **Cost caps and Exclusions**: REAP-eligible costs capped at $70,000 for manure injectors and $70,000 for dragline equipment. Manure spreaders and dry spreaders are not eligible. Subscription services for software are not eligible.

3. **Precision Nutrient Application Systems**

- **Purpose**: These systems enable automatic variable-rate nutrient application using sensors or computerized maps, thereby optimizing nutrient use and minimizing waste.
- **Eligible Components**: This includes control units, variable-rate drives, variable rate sensors, and upgraded nozzles that enhance application efficiency. Guidance (GPS and Autosteer) systems are eligible with the purchase of other REAP-eligible equipment (limit 1 per eligible purchase). Upgrade costs done at time of purchase (used equipment) are eligible.
- **Certification Requirement**: Requires a qualified farm equipment dealer Certification form (see App p10).
- **Lifespan**: 3 years

- **Cost caps and Exclusions**: REAP-eligible costs capped at $80,000. Eligible cost of equipment older than model year 2016 capped at $15,000. Manure spreaders and dry spreaders are not eligible. Subscription services for software are not eligible.

4. **Cover Crop Equipment**

   - **Purpose**: Eligible equipment improves soil health by maximizing the benefits of cover crops.
   - **Eligible Equipment**: Cover crop roller/crimpers equipped with chevron blades for effective termination of cover crops. Drones capable of seeding into standing crops.
   - **Certification Requirement**: Drones require a qualified farm equipment dealer Certification form (App p11).
   - **Lifespan**: Roller/Crimpers – 7 years (new), 3 years (used). Drones – 3 years
   - **Cost caps and Exclusions**: REAP-eligible cost of drones is capped at $20,000. Broadcast seeding equipment (except drones) is not eligible.

5. **Precision Upgrade Kits**

   - **Purpose**: These upgrade kits are designed to enhance the precision of existing planting or nutrient application systems, contributing to more efficient agricultural practices.
   - **Certification Requirement**: Requires a qualified farm equipment dealer Certification form (App p8 or p10).
   - **Lifespan**: Precision upgrade kits have a **3-year lifespan.**
   - **Installation Requirement**: All installations must be performed by a dealer. Eligible upgrades must include improvements to the equipment's nutrient placement capabilities.
   - **Cost caps and Exclusions**: REAP-eligible cost for PUK is capped at $100,000. Installation must be done by a qualified farm equipment shop.

REAP Trade-In Policy

Equipment may be traded in prior to the expiration of the stated REAP lifespan under the following conditions:

- The trade-in policy requires prior approval from the Commission and mandates that any trade-in must be replaced with comparable equipment that meets the same (or larger) capacity.
- Applicants may claim tax credits for any cost differences incurred during the trade-in process, which will reset the lifespan of the new equipment.
- <u>Important note</u>: Selling or trading equipment without replacement may result in repayment of tax credits previously claimed.

Attachment 3

REAP Cover Crop Guidelines

Cover Crop

Reportable Units: *Ac.*
Lifespan: Annual (FY)
Tax Credit Rate: 50%; **90% for multi-species cover crop in an ag-impaired watershed**

Definition: Cover crops are annual crops that are planted in crop fields to reduce erosion, control weed, use excess nutrients, and increase organic matter levels of the soil. Cover crops help to improve soil health by increasing the diversity of plant species in a crop rotation, keeping soil consistently covered, and by providing habitat for beneficial biota.

Multi-species Cover Crop definition: A seed mix that consists of annual grass/small grain species plus a minimum of 2 broadleaf species. The cumulative **<u>seeding rate</u>** of the annual grass/small grain species may not exceed **1.5 bu/ac;** and the mix must include at least **5lbs/ac** of each broadleaf species**.**

Reimbursement: Total cost = seed cost + planting costs**.**

Total costs are capped at \$50/acre for single-species plantings and \$70/acre for multi-species plantings. Please contact the Commission for information regarding planting cost via drone.

REAP Conditions:

- Completion of the REAP Cover Crop Worksheet (p13 of the REAP Application) is required.
- Cover crop establishment costs are eligible for REAP tax credits. Applicants may apply prior to planting based on a cost estimate, or after planting. All invoices and receipts must be submitted upon completion of planting.
- Applicants may apply for up to 3 years of proposed cover crop plantings on a single REAP application. However, sponsored applicants are limited to applying for 1 year of cover crops.
- All seed used for cover crops must be tested and properly labeled in accordance with the PA Seed Law and regulations. Seed grown by the applicant must be tested for purity, germination, and absence of noxious weeds by a recognized seed laboratory prior to seeding.

REAP Restrictions:

- Total REAP-eligible costs are capped at \$70,000 per applicant per round.
- Crops that are mechanically harvested for grain or forage are not eligible for REAP tax credits. Grazing cover crops is permitted.
- The REAP lifespan for cover crops is 1 year – annual. Implementation costs are eligible only within the fiscal year (July 1 – June 30) in which they are incurred.

The Commission reserves the right to prioritize multi-species cover crop applications over single-species plantings; and to prioritize new applicants over applicants who have previously received REAP tax credits for cover crop plantings.

The Commission reserves the right to deny applications for cover crops that do not meet the Commission's intent set forth in the REAP Guidelines.

Attachment 4

Verification Signatures for REAP Eligibility

Applies to: REAP Application Section 2 (pp. 2–4)

The SCC considers the following individuals to have the qualifications necessary to verify REAP eligibility:

1. Conservation District technicians with appropriate training and experience in Pennsylvania Clean Streams Law compliance.
2. USDA/NRCS technicians certified in conservation planning, and/or with appropriate training and experience in conservation planning.
3. Act 38-certified Nutrient Management Plan writers.

By signing, the verifier confirms that the applicant's answers on pp. 2–4 are accurate and truthful.

Examples:

- If the applicant states on pp2-4 that required plans exist on all acres operated and are fully implemented, the verifier may sign if in agreement.
- If the applicant states that plans do not exist or are not fully implemented, the verifier may still sign—if the verifier agrees with the accuracy of that response.
- If the applicant states that untreated ACAs exist on the operation, the verifier may sign the REAP application on p4 if in agreement.
- If the verifier does not agree that the applicant's answers on pp2-4 are accurate or truthful, they must not sign that section.

Conflict of Interest Policy:
Verifiers must have no conflict of interest, meaning they may not verify applications for:

- Their own farming operation
- A family member (parent, spouse, child, sibling, grandparent, cousin, etc.)
- A business with which they or their immediate family is associated

The Commission reserves the right to disqualify any individual from providing a verification signature.

Verification Signatures for Equipment Purchases

Applies to: REAP Application pp. 8–11

The Commission accepts equipment certification signatures from qualified farm equipment dealers. The dealership must be listed as an equipment dealership and have a visible public/internet presence.

Conflict of Interest Policy:
Signers must have no conflict of interest, meaning they cannot certify:

- Equipment they are selling to themselves
- Equipment purchased by a family member
- Equipment for a business connected to them or a family member

BMP Construction Certification Signatures

Applies to REAP application p14 - Refer to Attachment 1 for the specific level of certification required for each BMP. The following individuals may certify that an implemented BMP meets SCC standards:

- Conservation District technicians and NRCS technicians with NRCS job approval rating for the BMP.
- Conservation District technicians with adequate levels of PAS certification for the BMP.
- A Professional engineer
- Conservation District technicians and other technical service providers with adequate training and work experience.

The Commission reserves the right to disqualify any individual from providing a verification signature.

Attachment 5

REAP Program Definitions

- **Agricultural Erosion and Sedimentation Plan**

A site-specific plan that meets 25 Pa. Code Ch. 102.4 standards. The plan identifies soil erosion resource concerns from plowing/tilling and from Animal Concentration Areas; and includes BMPs to minimize sediment runoff from these areas on an ag operation.

- **Agricultural Operation**

The managed property that produces crops, livestock, poultry, or for equine activities.

An ag operation includes all tracts of land, whether contiguous or non-contiguous, that are under the common ownership or common management control of the person; whether as an individual, corporation, partnership or other legal entity;

or have organizational structures that include or retain the same (or significantly similar) ownership, management, directors, officers or shareholders;

or which utilize substantially common management or production resources such as land, equipment, labor, accounting, and business systems to support one or more farm enterprises, partnerships, corporations, etc.

For the purpose of REAP applicant eligibility under Section 1703-E(B) of the Act, the operator of agricultural land is considered to be the property owner.

- **Animal Concentration Areas (ACA)**

Outdoor areas exposed to rainfall, (ie. barnyards, feedlots, loafing areas, feed/water areas, etc.) where animals congregate; where manure accumulates and it is difficult to maintain consistent, growing vegetation.

- **Best Management Practice (BMP)**

Practices approved by SCC to manage and reduce pollution runoff of nutrients and sediment; that protect surface and ground water through technological and management considerations.

- **Commission or SCC**

The State Conservation Commission.

- **Conservation District:**

County-level agency under the Conservation District Law (May 15, 1945, P.L. 547, No. 217).

- **Conservation Plan**

A site-specific USDA-NRCS plan that identifies resource concerns on an ag operation and includes BMPS with an implementation schedule. For REAP purposes, the plan must meet the standards set forth in PA Clean Streams Law & 25 Pa. Code Ch. 102.4.

- **Department (DOR)**

Pennsylvania Department of Revenue.

- **Eligible Applicant**

Any individual, business entity, bank, or trust that is subject to income tax liability imposed by the PA tax code.

- **Equine Activity**

Boarding, training, lessons, pasturing, or riding horses. Excludes racehorse operations under the Racehorse Industry Reform Act (P.L. 435, No. 135).

- **Food Processing Residual (FPR)**

Organic materials left over from industrial food manufacturing, including vegetable scraps, meat processing byproducts, fats, blood, and wastewater sludge.

- **Heavy Use Area Protection (HUAP)**

Stabilization or protection of an intensively used area for the purpose of reducing soil erosion and reducing nutrient runoff.

- **Impaired Stream**

A stream that does not meet the water quality standards for agricultural runoff set forth by DEP (Section303(d)) or interpreted as such by the Commission for the purposes of the REAP program.

- **Legacy Sediment**

Sediment that was eroded during early PA settlement through intensive land uses, primarily heavy tillage; that deposited in valley bottoms and stream corridors; that continues to impair the hydrologic, aquatic, and riparian functioning of the stream.

- **Manure Management Plan**

A written plan that meets 25 Pa. Code § 91.36(b) that identifies the location and amount of manure (spread or deposited) on an ag operation. The plan also identifies BMPs necessary to reduce/eliminate nutrient pollution runoff from animal operations.

- **Nutrient Management Plan**

A written plan that meets 25 Pa. Code § 83 and Act 38 of 2005 that identifies the location and amount of manure (spread or deposited) on a concentrated animal feeding operation (CAFO) or concentrated ag operation (CAO). The plan also identifies BMPs necessary to reduce or eliminate nutrient pollution runoff from animal operations.

- **Nutrient Management Specialist**

A person who is certified under the standards of PA Act 38 to develop and write Act 38 Nutrient Management Plans.

- **Pass-Through Entity**

A formal business entity organized as a partnership or PA S Corp per section 301(n.0)/(n.1). An LLC is a federal designation that may be interpreted as a pass-through entity in PA.

- **Riparian Forest Buffer**

An established tree/shrub zone near surface waters meeting SCC conservation specifications and standards.

- **Resource Concern**

For REAP purposes, a resource concern is a degradation of natural water and soil resources below a minimum acceptable condition that impairs the sustainable use of the resource.

- **Sponsor**

Businesses, banks, or individuals subject to PA Taxes receiving REAP tax credits for funding eligible farm projects an ag operation that is not owned or operated by the sponsor.

- **State Income Tax Credit**

An income tax credit is used to satisfy PA income tax liability on a dollar-for-dollar basis - unlike deductions, which reduce taxable income.

- **Technical Service Provider**

Certified individual, entity or public agency on USDA-NRCS list for technical support.

- **TMDL (Total Maximum Daily Load)**

The regulatory plan that determines the maximum level of pollutant loads that an impaired waterbody can receive.

- **USDA-NRCS**

US Dept. of Agriculture – Natural Resources Conservation Service