

S.F. No. 1419 – Modifications to tax credit for owners of agricultural assets and beginning farmers (as proposed to be amended by the A-2 amendment)

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Section 1. Definitions. Strikes the definition of “emerging farmer” and replaces it with “limited land access farmer,” with a cross reference to the term “limited land access” defined elsewhere in Minnesota Statutes. Effective for taxable years beginning after December 31, 2024.

Section 2. Tax credit for owners of agricultural assets. Strikes language referencing the allocation of the credit and the amount stated on the credit certificate issued by the Rural Finance Authority for owners of agricultural assets, since the allocation limitations are stricken in section 3. Replaces the term “emerging” farmer with “limited land access” farmer. Specifies dates for which applications for credits are due. Effective for taxable years beginning after December 31, 2024.

Section 3. Authority duties. Strikes the allocation limitations for the credit for owners of agricultural assets. Effective for taxable years beginning after December 31, 2024.

Section 4. Report to legislature. Strikes the requirement that the report required to the legislature regarding various aspects of the credit include the number and amount of credit applications that exceeded the available allocation each year. This requirement is no longer necessary given the removal of the credit allocation limitation in section 2. Effective for reports due for credits issued for taxable years beginning after December 31, 2024.

Section 5. Beginning farmer incentive credit. Removes a reference to the credit certificate issued by the Rural Finance Authority for claimants for the credit for owners of agricultural assets. Effective for taxable years beginning after December 31, 2024.

