

Beginning Farmer Tax Credit



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	Tax Credit Amount	Maximum Tax Credit	Applications Due
Cash Leases	10% of annual rental income	\$7,000	July 17, 2026
Share Rent Leases	15% of annual rental income	\$10,000	July 17, 2026
*Sales	*8% or 12% of sale price	\$50,000	November 1, 2026
Beginning Farmer FBM tuition reimbursement	Equal to tuition paid (see details below)	\$1,500	November 1, 2026

Details

- Nonrefundable state tax credit for sellers and land lords who sell/rent to MN beginning farmers.
- **Funding is limited**, and credits are approved first-come, first-serve.d regardless of due dates.
- Applications open January 1 each year
- Beginning farmer (BF) must be an individual (not business entity), MN resident who has entered into farming in the last 10 years. BF must have a net worth under \$1,042,000.
- BF must be enrolled in or have completed an approved farm business management program (FBM)
 - » Find list of FBM and more info at mda.state.mn.us/fbmprograms
 - » BF's are eligible for a tax credit equal to their FBM tuition paid up to \$1,500 annually for three years.

*Land Sales

- Direct family members (parents, in-laws, siblings, grandparents) are eligible for the tax credit for land sales. Extended family (aunt/uncle, cousin) may apply for the tax credit with a lease or equipment sale.
- Credits for farmland sales with be 8% of the sale price for all beginning farmer buyers and 12% if the buyer is also considered "limited land access".
- A Limited Land Access Farmer must meet all of the following:
 - » 1. Does **not** own any farmland.
 - » 2. Does **not** rent land from a relative. This includes **anyone** related to the beginning farmer by blood or marriage (ex. parent, in-law, grandparent, aunt/uncle, great-aunt/uncle, sibling, step-sibling, cousin, second cousin, etc.)
 - » 3. Does **not** have a lease term greater than three years.

Find more details and applications at: mda.state.mn.us/bftc