

Chair Carla J. Nelson
95 University Avenue W.
St. Paul, MN 55155

Chair Paul Marquart
597 State Office Building
St. Paul, MN 55155

RE: Support for Beginning Farmer Tax Credit (BFTC) changes

Dear Chair Nelson, Chair Marquart and members of the tax conference committee:

As organizations who care deeply about the future of farming in Minnesota, we write to express strong support for expanding the Beginning Farmer Tax Credit (BFTC) to help more young people build a life in agriculture. This successful and pioneering program helps new farmers access land, equipment, livestock, and other assets needed to run a successful farm operation.

More specifically, we support:

- Extending the credit for sale of agriculture assets to family members, which will help more young farmers and assist in generational farm transition. As any farmer will tell you, farm transitions are complex, costly, seldom easy – any new farmer on the land is a win for our rural communities and the state.
- Increasing the credit for sale of agricultural assets to socially disadvantaged farmers from 5 to 10 percent. This will provide additional and needed support to emerging farmers who could benefit from the working relationships the credit helps broker with more established operators.
- Providing the Rural Finance Authority (RFA) funding to administer the credit, create an online application, and otherwise improve access for beginning farmers.

Importantly, all of these changes can be made within the funding already allocated to the credit. Taken together, they will strengthen this nation-leading program and better serve beginning farmers in our state.

We ask that you include these changes in a final package. Thank you for your work on behalf of farmers and all Minnesotans.

Sincerely,

AgCountry Farm Credit Services
Central MN Young Farmers Coalition
(CMNYFC)
Compeer Financial
MN Corn Growers Assn. (MCGA)
MN Farm Bureau Federation (MFBF)
MN Farmers Market Assn. (MFMA)
MN Farmers Union (MFU)

MN Milk Producers Assn. (MMPA)
Minnesota Pork Producers Assn.
MN Soybean Growers Assn. (MSGA)
MN State Cattlemen's Assn.
MN Sustainable Farming Assn.(SFA)
MN Turkey Growers Assn.
Red River Valley Sugarbeet Growers Assn.
Renewing the Countryside