

**16.64 Bonds and notes — tax exemption.**

1. The authority shall publish a notice of intention to issue bonds or notes. After sixty days from the date of publication of the notice, an action shall not be brought questioning the legality of any bonds or notes or the power of the authority to issue any bonds or notes or to the legality of any proceedings in connection with the authorization or issuance of the bonds or notes after determination by the board of the authority to proceed with the issuance of the bonds or notes.

2. Bonds and notes issued by the authority for purposes of financing the beginning farmer loan program provided in [section 16.75](#) are exempt from taxation by the state, and interest earned on the bonds and notes is deductible in determining net income for purposes of the state individual and corporate income tax under [subchapters II and III of chapter 422](#).

[2014 Acts, ch 1080, §53, 78; 2015 Acts, ch 30, §23; 2020 Acts, ch 1062, §94](#)

Referred to in [§422.7\(2\)\(e\)](#)