16.81 Beginning farmer tax credit — application.

1. The deadline for submitting an application to the authority to claim a beginning farmer tax credit is August 1 of each year. The application shall be for a period that is not longer than the term of the lease.

2. *a.* The authority shall impose, assess, and collect application fees and shall adopt rules as necessary to administer this subsection, including by providing for the rate of those fees.

b. The authority may establish different rates based on separate categories of applications or agricultural lease agreements as determined relevant by the authority.

c. The authority shall calculate the rates of the application fees to be effective for each successive twelve-month period. The total amount of application fees collected by the authority for that period shall not be more than the authority's estimate of the total amount of revenues necessary to administer the provisions of this subpart based on the expected revenue to be collected from the application fees and the expected costs to be incurred by the authority in administering the provisions of this subpart during that period. The authority may adjust the rates throughout that period as the authority determines necessary to comply with this paragraph.

d. The amount of application fees collected by the authority under this subsection shall be considered appropriated receipts as defined in section 8.2.

3. The agricultural development board shall review and recommend approval of an application for a tax credit as provided by rules adopted by the authority. The application must include a copy of the agricultural lease agreement. The authority may require that the parties to an agreement provide additional information as determined relevant by the authority.

4. The authority shall approve all beginning farmer tax credit applications that meet the requirements of this subpart and make tax credit awards on a first-come, first-served basis, subject to the limitations in section 16.82A. An eligible taxpayer may apply and be approved to enter into agreements with different qualified beginning farmers.

5. After the authority has approved an application and made a tax credit award, all of the following apply:

a. The authority shall issue beginning farmer tax credit certificates to an eligible taxpayer on an annual basis as provided in section 16.82A.

b. An eligible taxpayer may claim the tax credit each tax year as provided in section 16.82.

6. Any financial, contractual, or legal authorization records provided to the authority shall be kept confidential and are not subject to chapter 22.

2019 Acts, ch 161, §10, 18, 19; 2021 Acts, ch 177, §63, 64, 67; 2024 Acts, ch 1185, §106
Referred to in §16.79A, 16.82A
Subsection 2, paragraph d amended