

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 on an interim basis until December 31, 2021. The amount of an application fee shall not be more than the following:

(1) For an application that includes an agreement for the lease of one hundred acres or less of agricultural land, a fee of three hundred dollars.

(2) For an application that includes an agreement for the lease of more than one hundred acres, but not more than two hundred fifty acres of agricultural land, a fee of four hundred dollars.

(3) For an application that includes an agreement for the lease of more than two hundred fifty acres of agricultural land, a fee of five hundred dollars.

(4) For an amendment to an agreement that is part of an application that has been previously approved, a fee of one hundred dollars.

b. Any amount of fees collected by the authority under [this subsection](#) shall be considered repayment receipts as defined in [section 8.2](#).

c. [This subsection](#) is repealed on January 1, 2022.

3. *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 repayment receipts as defined in [section 8.2](#).

e. (1) The rules described in [this subsection](#) shall first take effect immediately after the repeal of [subsection 2](#).

(2) This paragraph “*e*” is repealed immediately after the rules described in [this subsection](#) take effect.

4. An eligible taxpayer shall not participate in the beginning farmer tax credit program for more than ten years, and shall not receive more than ten tax credit certificates under the program.

5. 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.

6. 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](#).

7. 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](#).

8. 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](#)

Referred to in [§16.79A, 16.82A](#)

Section applies retroactively to January 1, 2019, for tax years beginning on or after that date; 2019 Acts, ch 161, §19