

Beginning Farmer Tax Credit



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	Tax Credit Amount	Maximum Tax Credit	Applications Due
Cash Rentals	10% of annual rental income	\$7,000	July 17, 2025
Share Crop Rentals	15% of annual rental income	\$10,000	July 17, 2025
*Sales	*8% or 12% of sale price	\$50,000	November 1, 2025
Beginning Farmer FBM tuition reimbursement	Equal to tuition paid (see details below)	\$1,500	November 1, 2025

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-served regardless of due dates.
- 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 \$1,013,000.
- BF must be enrolled in or have completed an approved financial 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 Sale Updates

- Credits for farmland sales will be 8% of the sale price for all beginning farmer buyers and 12% if the buyer is also an emerging farmer.
- Emerging Farmers include farmers or aspiring farmers who are women, veterans, persons with disabilities, American Indian or Alaskan Natives, members of a community of color, young (35 and younger), LGBTQIA+, urban (reside or farm in cities with a population over 5,000), and any other emerging farmers as determined by the commissioner.
- Parents, grandparents, and siblings are now eligible for the tax credit if they sell farmland to a direct family member. This does not apply to rentals or other types of sales.

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