

May 6, 2025

Chair Ann Rest  
Senate Tax Committee  
Capitol, Room 328  
St. Paul, MN 55155

RE: Ag groups support for the Beginning Farmer Tax Credit (BFTC) (SF1419)

Dear Chair Rest and members of the Senate Tax Committee:

As organizations who care deeply about the future of farming in Minnesota, we write to thank you for lifting the cap on total state funding available to the Beginning Farmer Tax Credit (BFTC) in your Omnibus Tax Bill (SF2374). With this change, you will ensure that no new farmer is turned away from this nation-leading program due to lack of funding.

This successful and pioneering credit helps new farmers access land, equipment, livestock, and other assets needed to build a successful farm business. You reauthorized and expanded this credit in 2023, helping more beginning farmers. However, as part of these changes, the overall amount of funding available to the credit was lowered from \$6.5 million (with the remainder carrying forward) to \$4 million annually. With this change—and for the first time in the credit's history—beginning farmers were turned away from utilizing this credit to achieve the dream of farm ownership. This year, funding ran away in late January.

Lifting the cap as in your bill and helping more new farmers get on the land is a win not just for those families, but also our communities and state. Beginning farmers often mean new businesses in rural communities, more money spent at main street, and new kids in rural schools.

Thank you for lifting the cap on total state funding for the Beginning Farmer Tax Credit and strengthen our state by helping the next generation build a life in agriculture. We appreciate your work on this provision in the coming weeks and hope to see it reflected in a final deal. Thank you for your work on behalf of farmers and all Minnesotans.

Sincerely,

AgCountry Farm Credit Services  
AgriGrowth  
Compeer Financial  
Hmong American Farmers Association  
Hmong American Partnership (HAP)  
Land Stewardship Project (LSP)  
Latino Economic Devel. Council (LEDC)  
MN Association of Wheat Growers  
MN Corn Growers Association (MCGA)  
MN Farm Bureau Federation (MFBF)  
MN Farmers' Market Assn. (MFMA)

MN Farmers Union (MFU)  
MN Milk Producers Association (MMPA)  
MN Pork Producers Association  
MN Soybean Growers Association (MSGA)  
MN State Cattlemen's Association (MSCA)  
MN Sustainable Farming Association (SFA)  
MN Turkey Growers Association  
Red River Valley Sugarbeet Growers Assn.  
Renewing the Countryside (RTC)  
The Good Acre (TGA)