

LEGISLATIVE BILL 447

Approved by the Governor May 26, 2009

Introduced by Schilz, 47.

FOR AN ACT relating to the Beginning Farmer Tax Credit Act; to amend section 77-5209, Revised Statutes Cumulative Supplement, 2008; to change qualification provisions; and to repeal the original section.

Be it enacted by the people of the State of Nebraska,

Section 1. Section 77-5209, Revised Statutes Cumulative Supplement, 2008, is amended to read:

77-5209 (1) The board shall determine who is qualified as a beginning farmer or livestock producer based on the qualifications found in this section. A qualified beginning farmer or livestock producer shall be an individual who: ~~(1)~~ (a) Has a net worth of not more than two hundred thousand dollars, including any holdings by a spouse or dependent, based on fair market value; ~~(2)~~ (b) provides the majority of the day-to-day physical labor and management of his or her farming or livestock production operations; ~~(3)~~ (c) has, by the judgment of the board, adequate farming or livestock production experience or demonstrates knowledge in the type of farming or livestock production for which he or she seeks assistance from the board; ~~(4)~~ (d) demonstrates to the board a profit potential by submitting board-approved projected earnings statements and agrees that farming or livestock production is intended to become his or her principal source of income; ~~(5)~~ (e) demonstrates to the board a need for assistance; ~~(6)~~ (f) participates in a financial management program approved by the board; ~~(7)~~ (g) submits a nutrient management plan and a soil conservation plan to the board on any applicable agricultural assets purchased or rented from an owner of agricultural assets; and ~~(8)~~ (h) has such other qualifications as specified by the board. The qualified beginning farmer or livestock producer net worth thresholds in subdivision (a) of this subsection shall be adjusted annually beginning October 1, 2009, and each October 1 thereafter, by taking the average Producer Price Index for all commodities, published by the United States Department of Labor, Bureau of Labor Statistics, for the most recent twelve available periods divided by the Producer Price Index for 2008 and multiplying the result by the qualified beginning farmer's or livestock producer's net worth threshold. If the resulting amount is not a multiple of twenty-five thousand dollars, the amount shall be rounded to the next lowest twenty-five thousand dollars.

(2) A qualified beginning farmer or livestock producer who has participated in a board approved and certified three-year rental agreement with an owner of agricultural assets shall not be eligible to file a subsequent application with the board but may refer to the board for additional support and participate in programs, including educational and financial programs and seminars, established or recommended by the board that are applicable to the continued success of such farmer or livestock producer.

Sec. 2. Original section 77-5209, Revised Statutes Cumulative Supplement, 2008, is repealed.