Apply now for the Personal Property Tax Exemption!

- Personal property used in production agriculture or horticulture, **valued up to $100,000**, may be tax exempt for the beginning farmer or rancher.
- Apply for a **Certificate of Eligibility** by **September 1st** of the year preceding the year for which exemptions are sought.
- To claim the tax exemption, present the Certificate of Eligibility to your **County Assessor by December 31st** for approval.
- The tax exemption may be received **each year for three years.**

The beginning farmer eligibility requirements and application process are the same as the tax credit program, but you **do not have to rent from someone to be eligible for the tax exemption.**

NEBRASKA
Good Life. Great Roots.
DEPARTMENT OF AGRICULTURE

Board of Directors

State Tax Commissioner

Lending Community Representative

Academia Representative

District 1 Producer

District 2 Producer

District 3 Producer

Nebraska Department of Agriculture Director

Program requirements are subject to change; please refer to website or call our office for the most up-to-date information.

For more information contact:

402-471-4876
agr.NextGen@nebraska.gov
nextgen.nebraska.gov

NextGen
Nebraska Department of Agriculture
P.O. Box 94947
Lincoln, NE 68509-4947

CULTIVATE YOUR LEGACY

NEXT GEN

Tax Credits for Farmers & Ranchers

nextgen.nebraska.gov

What will the beginning farmer receive?

- A three-year lease rather than a year-to-year lease.
- Up to a \$500 tax credit reimbursement for an approved financial management course.
- Plus, the beginning farmer may apply for the Personal Property Tax Exemption.

What is the tax credit for the asset owner?

An eligible asset owner will receive a refundable tax credit equal to 10% of the cash rent, or 15% of the value of the share crop rent received each year for three years.

Examples:

Cash Rent:
100 acres × \$300/acre = \$30,000
\$30,000 × 10% = \$3,000/year tax credit
\$3,000× 3 years = **\$9,000 total tax credits**

Share Crop Rent:
100 acres × 200 bu/acre = 20,000 bu
20,000 bu× 50% (owner's share)=10,000 bu
10,000 bu × \$5.00/bu = \$50,000
\$50,000 × 15% = \$7,500/year tax credit
\$7,500 × 3 years = **\$22,500 total tax credits**

Asset Owner Eligibility Requirements

- An asset owner must be an individual(s) or a trustee, a partnership, corporation, limited liability company, or other business entity having an ownership interest in an agricultural asset located within the state of Nebraska, who is eligible to receive a Nebraska tax credit.
- Minimum of a three-year lease required.
- Close relatives are eligible to receive a tax credit if the parties attend a training session on succession planning and the rental asset is included in a written succession plan.

Beginning Farmer or Rancher Eligibility Requirements

- Is a Nebraska resident, 18 years of age or older.
- Has farmed or ranched for less than ten of the last fifteen years.
- Total family net worth is not more than the amount established by §77-5209 (adjusted annually). Call NextGen office for current information.
- Will provide the majority of the day-to-day physical labor and management.
- Plans to farm or ranch full time.
- Has farming or ranching experience or education.
- Has participated in an approved financial management course.

To Apply

1. Complete an application form: www.nextgen.nebraska.gov or 402-471-4876
2. Provide supplemental information as requested on the application and mail to NextGen.
3. Deadline to apply: September 1st

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