

LEGISLATURE OF NEBRASKA

ONE HUNDRED FIRST LEGISLATURE

FIRST SESSION

**LEGISLATIVE BILL 447**

Introduced by Schilz, 47.

Read first time January 20, 2009

Committee: Agriculture

A BILL

1 FOR AN ACT relating to the Beginning Farmer Tax Credit Act;  
2 to amend section 77-5209, Revised Statutes Cumulative  
3 Supplement, 2008; to change qualification provisions; and  
4 to repeal the original section.  
5 Be it enacted by the people of the State of Nebraska,

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

3           77-5209 (1) The board shall determine who is qualified  
4 as a beginning farmer or livestock producer based on the  
5 qualifications found in this section. A qualified beginning farmer  
6 or livestock producer shall be an individual who: (1) Has a net  
7 worth of not more than two hundred thousand dollars, including  
8 any holdings by a spouse or dependent, based on fair market  
9 value; (2) provides the majority of the day-to-day physical labor  
10 and management of his or her farming or livestock production  
11 operations; (3) has, by the judgment of the board, adequate farming  
12 or livestock production experience or demonstrates knowledge in  
13 the type of farming or livestock production for which he or she  
14 seeks assistance from the board; (4) demonstrates to the board a  
15 profit potential by submitting board-approved projected earnings  
16 statements and agrees that farming or livestock production is  
17 intended to become his or her principal source of income; (5)  
18 demonstrates to the board a need for assistance; (6) participates  
19 in a financial management program approved by the board; (7)  
20 submits a nutrient management plan and a soil conservation plan  
21 to the board on any applicable agricultural assets purchased or  
22 rented from an owner of agricultural assets; and (8) has such other  
23 qualifications as specified by the board. The qualified beginning  
24 farmer or livestock producer net worth thresholds in subsection  
25 (1) of this section shall be adjusted annually beginning October

1 1, 2009, and each October 1 thereafter, by taking the average  
2 Producer Price Index for all commodities, published by the United  
3 States Department of Labor, Bureau of Labor Statistics, for the  
4 most recent twelve available periods divided by the Producer Price  
5 Index for 2008 and multiply the result by the qualified beginning  
6 farmer's or livestock producer's net worth threshold. If the  
7 resulting amount is not a multiple of twenty-five thousand dollars,  
8 the amount shall be rounded to the next lowest twenty-five thousand  
9 dollars.

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

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