

1.1 moves to amend H.F. No. 1456 as follows:

1.2 Page 2, after line 26, insert:

1.3 "(h) For a sale to a socially disadvantaged farmer or rancher, the credit rate under
1.4 paragraph (a), clause (1), is ten percent rather than five percent. For the purposes of this
1.5 section, "socially disadvantaged farmer or rancher" has the meaning given in United States
1.6 Code, title 7, section 2279(a)(5)."

1.7 Page 2, after line 28, insert:

1.8 "Sec. Minnesota Statutes 2020, section 41B.0391, subdivision 4, is amended to read:

1.9 Subd. 4. **Authority duties.** (a) The authority shall:

1.10 (1) approve and certify or recertify beginning farmers as eligible for the program under
1.11 this section;

1.12 (2) approve and certify or recertify owners of agricultural assets as eligible for the tax
1.13 credit under subdivision 2 subject to the allocation limits in paragraph (c);

1.14 (3) provide necessary and reasonable assistance and support to beginning farmers for
1.15 qualification and participation in financial management programs approved by the authority;

1.16 (4) refer beginning farmers to agencies and organizations that may provide additional
1.17 pertinent information and assistance; and

1.18 (5) notwithstanding section 41B.211, the Rural Finance Authority must share information
1.19 with the commissioner of revenue to the extent necessary to administer provisions under
1.20 this subdivision and section 290.06, subdivisions 37 and 38. The Rural Finance Authority
1.21 must annually notify the commissioner of revenue of approval and certification or
1.22 recertification of beginning farmers and owners of agricultural assets under this section.

2.1 For credits under subdivision 2, the notification must include the amount of credit approved
2.2 by the authority and stated on the credit certificate.

2.3 (b) The certification of a beginning farmer or an owner of agricultural assets under this
2.4 section is valid for the year of the certification and the two following years, after which
2.5 time the beginning farmer or owner of agricultural assets must apply to the authority for
2.6 recertification.

2.7 (c) For credits for owners of agricultural assets allowed under subdivision 2, the authority
2.8 must not allocate more than \$5,000,000 for taxable years beginning after December 31,
2.9 2017, and before January 1, 2019, and must not allocate more than \$6,000,000 for taxable
2.10 years beginning after December 31, 2018. The authority must allocate credits on a first-come,
2.11 first-served basis beginning on January 1 of each year, except that recertifications for the
2.12 second and third years of credits under subdivision 2, paragraph (a), clauses (1) and (2),
2.13 have first priority. Any amount authorized but not allocated in any taxable year does not
2.14 cancel and is added to the allocation for the next taxable year.

2.15 (d) For taxable years beginning after December 31, 2020, the amount available to be
2.16 allocated for the taxable year under paragraph (c) is reduced by five percent. Beginning in
2.17 fiscal year 2022, an amount equal to the reduction under this paragraph is annually
2.18 appropriated from the general fund to the Rural Finance Authority to develop an online
2.19 application system and administer the credits under this section. The amount of the
2.20 appropriation for a fiscal year must be determined based on the reduction for taxable years
2.21 beginning after December 31 of the previous fiscal year and before January 1 of the fiscal
2.22 year of the appropriation. The Rural Finance Authority must disregard amounts carried
2.23 forward from previous taxable years when calculating the reduction under this paragraph.

2.24 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December
2.25 31, 2020."

2.26 Renumber the sections in sequence and correct the internal references

2.27 Amend the title accordingly