

participation in a financial management program.)

Subd. 2. Tax credit for owners of agricultural land. Grants an income/franchise tax credit to a person who rents agricultural land to a beginning farmer or livestock producer. Restricts the credit only to agricultural land rented under an agreement that takes effect after December 31, 2006. Specifies credit amounts and components of a qualifying rental arrangement . Allows a credit carryover.

Subd. 3. Beginning farmer management tax credit. Grants an income/franchise tax credit to a beginning farmer or livestock producer who completes an approved farm management program. The credit is equal to the lesser of actual costs incurred or \$500. Allows a credit carryover.

Subd. 4. Authority's duties. Specifies the RFA's duties in carrying out this program.

Effective date. This section effective for taxable years beginning after 12/31/06.

- 2** **Beginning farmer incentive credit.** Amends the income/franchise tax code to add a non-refundable credit for renting agricultural land to a beginning farmer or livestock producer . Requires approval and certification by the RFA. Specifies that the credit may carryover for 15 taxable years.

Effective date. This section effective for taxable years beginning after 12/31/06.

- 3** **Beginning farmer management credit.** Amends the income/franchise tax code to add a non-refundable credit for a beginning farmer or livestock producer who participates in an approved financial management program. Requires approval and certification by the RFA. Specifies that the credit may carryover for 3 taxable years.

Effective date. This section effective for taxable years beginning after 12/31/06.