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Overview

The Minnesota Corporate Farm Law requires reporting to the commissioner of agriculture to gain an exemption to operate as a family farm corporation, family farm LLC, family farm partnership, or family farm trust. Failing to file a report can result in a civil penalty of \$500 and is a gross misdemeanor.

This bill provides an exemption for revocable trusts created by the farmer when the farmer is also the beneficiary of the trust for so long as the trust is revocable.

These trusts are created for estate planning purposes, and not as part of a new business operation or to create a corporate farming structure.

Section

1 **Reports.** Creates a new exemption for the trustee of a revocable trust so that the trustee does not have to file the required report to the commissioner asking for an exemption to operate as a family farm trust when:

- (1) the trust was created by the farmer or the farmer's spouse;
- (2) the trust is revocable; and
- (3) the farmer and farmer's spouse are the primary beneficiary.