HOUSE RESEARCH

- Bill Summary -

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H.F. 636 allows homestead treatment for farm land that is not contiguous to the owner's home, provided that the farm is operated by a "beginning farmer," and the farm was classified as agricultural homestead in the previous year. Under current law, non-contiguous farmland can only be considered part of the owners homestead if it is farmed by the owner, or by a close relative. "Beginning farmer" is defined as someone who has not actively farmed property as a sole proprietor or with others for more than ten years, and whose net worth does not exceed the limit used to determine eligibility for the Rural Finance Authority's Beginning Farmer Loan Program, which is approximately \$455,000.