

## Apply now for the Personal Property Tax Exemption!

- Personal property used in production agriculture or horticulture, **valued up to \$100,000**, may be tax exempt for the beginning farmer or rancher.
- Apply for a **Certificate of Eligibility** by **November 1<sup>st</sup>** of the year preceding the year for which exemptions are sought.
- To claim the tax exemption, present the Certificate of Eligibility to your **County Assessor by December 31<sup>st</sup>** for approval.
- The tax exemption may be received **each year for three years**.

The beginning farmer eligibility requirements and application process are the same as the tax credit program, but you **do not have to rent from someone to be eligible for the tax exemption.**

## Board of Directors

State Tax Commissioner

Lending Community Representative

Academia Representative

Producer Representative

Producer Representative

Producer Representative

Nebraska Department of Agriculture  
Director

## For more information contact:

402-471-4876  
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nextgen.nebraska.gov

NextGen  
Nebraska Department of Agriculture  
P.O. Box 94947  
Lincoln, NE 68509-4947

CULTIVATE YOUR LEGACY  
**NEXT GEN**



**Tax Credits for  
Farmers & Ranchers**  
nextgen.nebraska.gov

## What will the beginning farmer receive?

- A three-year lease rather than a year-to-year lease.
- Up to a \$500 tax credit reimbursement for an approved financial management course.
- Plus, the beginning farmer may apply for the Personal Property Tax Exemption.

## What is the tax credit for the asset owner?

An eligible asset owner will receive a refundable tax credit equal to 10% of the cash rent, or 15% of the value of the share crop rent received each year for three years.

Examples:

*Cash Rent:*

100 acres × \$300/acre = \$30,000  
\$30,000 × 10% = \$3,000/year tax credit  
\$3,000 × 3 years = **\$9,000 total tax credits**

*Share Crop Rent:*

100 acres × 200 bu/acre = 20,000 bu  
20,000 bu × 50% (owner's share) = 10,000 bu  
10,000 bu × \$5.00/bu = \$50,000  
\$50,000 × 15% = \$7,500/year tax credit  
\$7,500 × 3 years = **\$22,500 total tax credits**

## Asset Owner Eligibility Requirements

- An asset owner must be an individual(s) or a trustee, a partnership, corporation, limited liability company, or other business entity having an ownership interest in an agricultural asset located within the state of Nebraska, who is eligible to receive a Nebraska tax credit.
- Minimum of a three-year lease required.
- Close relatives are eligible to receive a tax credit if the parties attend a training session on succession planning and the rental asset is included in a written succession plan.

## Beginning Farmer or Rancher Eligibility Requirements

- Is a Nebraska resident, 18 years of age or older.
- Has farmed or ranched for less than ten of the last fifteen years.
- Has a net worth of no more than \$750,000 (adjusted Oct. 1 for inflation/deflation).
- Will provide the majority of the day-to-day physical labor and management.
- Plans to farm or ranch full time.
- Has farming or ranching experience or education.
- Has participated in an approved financial management course.

## To Apply

1. Complete an application form: [www.nextgen.nebraska.gov](http://www.nextgen.nebraska.gov) or 402-471-4876
2. Provide supplemental information as requested on the application and mail to NextGen.
3. Deadline to apply: November 1<sup>st</sup>