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IOWA FINANCE AUTHORITY ANNOUNCES NEW TAX CREDIT FOR HIRING BEGINNING FARMERS

New State Program Provides Incentive to Hire Iowa Beginning Farmers

DES MOINES – The Iowa Finance Authority today announced that a new Custom Hire Tax Credit Program is accepting applications through December 15. The program offers a tax credit to anyone hiring a beginning farmer to do agricultural contract work for the production of crops or livestock in Iowa. The Iowa Agricultural Development Division of the Iowa Finance Authority administers the program.

The Iowa Legislature created the Custom Hire Tax Credit Program in 2013 as an incentive for hiring beginning farmers. The tax credit is seven percent of the value of the custom work performed by the beginning farmer, with a maximum credit of \$50,000. If the beginning farmer is a military veteran, the tax credit increases to eight percent for the first year that they participate in the program.

Eligible beginning farmers must be at least eighteen years old, a resident of Iowa, and have a net worth of no more than \$691,172. Beginning farmers also must have sufficient training as well as access to working capital, farm machinery, livestock and agricultural land as needed.

“Providing an incentive for hiring beginning farmers in Iowa is a win-win,” said Iowa Finance Authority Executive Director Dave Jamison. “The Custom Hire Tax Credit program will not only encourage existing farmers to begin a business relationship with a beginning farmer but it will also encourage beginning farmers to stay in Iowa.”

More information is available at IowaFinanceAuthority.gov/IADD.

The Iowa Legislature created The Iowa Finance Authority, the state’s housing finance agency, in 1975 to undertake programs to assist in the attainment of housing for low and moderate-income Iowans.

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