



January 27, 2023

2023 Beginning Farmer Program Updates

Updates for the Iowa Finance Authority Beginning Farmer Programs can be found below.

BEGINNING FARMER LOAN PROGRAM

2023 Maximum Loan Amounts:

- Land: \$616,000
- Farm improvements and new depreciable property: \$250,000
- Used depreciable property: \$62,500

Program Requirements

- Applicants must be a resident of Iowa and 18 years of age.
- Have a net worth of no more than \$833,000.
- Have sufficient education, training or experience for the anticipated farm operations.
- Have access to adequate working capital, equipment and other items that are necessary to operate the farm.
- Be the owner/operator.
- Own no more land than 30% of the county median acres.
- There is no restriction on off-farm income.

For more program information visit the [Beginning Farmer web page](#).

LOAN PARTICIPATION PROGRAM

2023 Interest Rate: 4.00% (Repriced to 7.50% the rate was then decreased by IADD Board on Jan. 23, 2023)

Program Requirements

- Applicants must be a resident of Iowa and 18 years of age.
- Have a net worth of no more than \$833,000.
- Have sufficient education, training or experience for the anticipated farm operations.
- Have access to adequate working capital, equipment and other items that are necessary to operate the farm.
- Be the owner/operator.
- Have off-farm income of no more than 50% of their projected total gross income.
- Current Ratio: Cannot be less than 1.1 without guaranteed source of repayment.
- Debt to Asset Ratio: Cannot exceed 80% without guaranteed source of repayment.
- Debt Service Coverage: Cannot be less than 120% without guaranteed source of repayment.
- Corporations, Partnerships, LLCs are eligible but the beginning farmer must be listed as a co-borrower.

For more program information please visit the [Beginning Farmer web page](#).

BEGINNING FARMER TAX CREDIT PROGRAM

2023 Beginning Farmer Tax Credit (BFTC) applications are now being accepted. Applications will be accepted until **August 1, 2023** or until all of the tax credit allocation has been awarded.

The BFTC Application can be found on the [Beginning Farmer Resource page](#) under the Beginning Farmer Tax Credit section.

Program Requirements

- Applicants must be a resident of Iowa and 18 years of age.
- Have a net worth of no more than \$833,000.
- Have sufficient education, training or experience for the anticipated farm operations.
- Have access to adequate working capital, equipment and other items that are necessary to operate the farm.
- Be the owner/operator.
- There is no restriction on off-farm income.

Please contact the [Iowa Agricultural Development Division Team](#) with questions.

iowafinance.com | 800.432.7230 | 515.452.0400
1963 BELL AVENUE | SUITE 200 | DES MOINES, IOWA 50315