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# PRESS RELEASE

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## **Rep. Young (R-IA) Introduces H.R. 5335 in United States House of Representatives —Bill Expands Exceptions to Bond Rules for First Time Farmers—**

Washington, D.C. – The **National Council of State Agricultural Finance Programs (NCOSAFP)** and the **Council of Development Finance Agencies (CDFA)** are pleased to announce that Representative David Young (R-IA) has introduced a bill that will expand certain exceptions to private activity bond rules for first time farmers. Introduced on May 25<sup>th</sup>, H.R. 5335 would expand first time farmer exceptions through amendment of the Internal Revenue Code of 1986. The amendment provides a technical fix to the IRC to match the beginning farmer bond definition changes that were included in the 2014 Farm Bill.

The current Internal Revenue Code states that to be considered a first time farmer, an individual cannot own any parcel of land, unless such parcel is smaller than 30 percent of the median size farm in a given county. However, the 2014 Farm Bill defined a first time farmer as an individual owning less than 30 percent of the average number of acres owned. Without using the same definition in the IRC, the ability to use tax-exempt bonds to support new farmers will be severely hindered. The bill was introduced with significant bipartisan support, and was referred to the House Committee on Ways and Means.

“We are very excited about this bill,” said Terri LaBrie, President of NCOSAFP. “This effort to correct the Internal Revenue Code is very important to us, as it will no doubt improve first time farmers’ ability to access affordable capital. We’re very thankful for all the hard work done by Representative Young and his staff.”

Representatives Loebsack (D-IA), Noem (R-SD), King (R-IA), Peterson (MN-7), Emmer (MN-6), Blumb (R-IA), LaHood (R-IL), and Smith (R-NE) have signed on to co-sponsor the bill. NCOSAFP will continue to monitor this important legislation and awaits a companion bill introduction in the U.S. Senate. NCOSAFP and CDFA encourage members and agricultural finance stakeholders to contact their representatives to encourage them to sign on to co-sponsor H.R. 5335. Contact Christie Downey at [Christine.Downey@mail.house.gov](mailto:Christine.Downey@mail.house.gov) in Rep. Young’s office to support H.R. 5335.

The **National Council of State Agricultural Finance Programs** provides national representation for states that operate finance programs for farmers, ranchers, and the agricultural industry. Organized in 1984, the NCOSAFP is a non-profit organization that provides a forum for sharing ideas and serves as an information clearinghouse for its member state agencies. The Council provides information about state programs on farm finance issues and legislation developing in Washington, D.C. In addition, the Council is involved in the promotion and support of rural economic development programs. For more information about NCOSAFP, visit [www.stateagfinance.org](http://www.stateagfinance.org).

The **Council of Development Finance Agencies** is a national association dedicated to the advancement of development finance concerns and interests. CDFA is comprised of the nation’s leading and most knowledgeable members of the development finance community representing public, private and non-profit entities alike. For more information about CDFA, visit [www.cdfa.net](http://www.cdfa.net).

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