



May 27, 2005

## HELP FOR YOUNG FARMERS

Last week, while looking at another wheat field that had leaves drying up from this year's frost damage, a farmer south of Friend explained how few young people were involved in agriculture in their neighborhood in the west central part of Saline County. Especially if you look at young farmers under the age of 25 years old. He talked about the sense of community and neighbors helping each other out over the years that had made it a pleasure to farm there. In comparison, when helping with a farm sale in a different county this year, he observed the exact opposite reaction of some neighbors. Rather than helping, someone asked, "When's the sale and is the land selling?" Who will be our next generation farmers in this county if the numbers do not improve?

According to the U.S. ag census data, the average age of principal farm operators in all states in 2002 was above 50 years, with 53 in Minnesota being the lowest average and 57 in Mississippi being the highest. In Nebraska, the average age of farmers increased to 54 years of age. But the youngest group, our next generation farmers, were counted at 403 across Nebraska. The concern nationwide is there can be a day where there is no such thing as a young farmer and rancher. Enrollment at UNL in basic agronomy and animal science classes has decreased steadily.

Earlier this year, Congressman Lee Terry re-introduced legislation he authored in 2003 to assist beginning farmers and ranchers who want to buy their own land, while also preserving more of the nation's agricultural acres. Jamie Karl, former Saline County 4-H'er from Dorchester, who now works in Terry's office, sent information about the latest beginning farmer proposal.

Soaring land values and the high rate of absentee land owners often prevent young agricultural producers from owning land. The bill would help younger farmers and ranchers compete with larger producers. At the same time, bill authors believe the legislation would certainly help preserve productive farm ground near urban areas.

The bill has language that would provide substantial capital gains relief to land owners who voluntarily sell their acres to "first-time buyer" farmers and ranchers. The bill has been endorsed by numerous national and state agricultural organizations, including the American Farm Bureau Federation, National Farmers Union, National Cattlemen's Beef Association, R-CALF, the National Association of Wheat Growers, and the Center for Rural Affairs.

Specifically, Terry's bill would create three levels of relief for farmers and ranchers who chose to sell their land. There would be a 100% exemption from capital gains taxes that would be given to those who sell their ag land to a qualified beginning producer. The capital gains exemption would not exceed \$500,000 per year. A 50% exemption would be given to those who sell their ag land to any producer who keeps the acres in agricultural production. A 25% exemption would be given to anyone selling ag land, regardless to whom they sell or for what purpose. This provision gives land-owning farmers and ranchers parity with homeowners, who were granted substantial capital gains tax relief in 1997 for the sale of their homes.



If things keep pace with no changes, soon there may be no such thing as a young farmer in this country. Saline County is no different when we start to count heads in our neighborhoods.

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