

Special Agricultural Homestead

Special agricultural homestead gives homestead status to agricultural property when the owner does not live on the farm. Homestead status can result in lower property taxes.

Property Qualifications

To qualify, property must be:

- Classified as agricultural
- At least 40 acres in size
- Farmed by a qualifying person or qualifying relative
 - A qualifying relative is a child, grandchild, sibling, or parent of the owner or the owner's spouse
- Actively farmed by someone who:
 - Participates in the day-to-day labor, decision making, and management of the claimed homestead
 - Assumes all or part of the financial risks of the farm
 - Lives near the agricultural property

Note: Actively farmed does not apply to occupied entity-owned agricultural property.

Land Owned by an Individual

Farm property owned by an individual may qualify for a special agricultural homestead if:

- The **owner and active farmer** of the land are Minnesota residents and live within four townships or cities of the agricultural property.
- The **owner and their spouse** (if married) do not claim another Minnesota agricultural homestead.
- The **active farmer** is one of the following:
 - Owner of the agricultural land
 - A qualifying relative of the owner or owner's spouse
 - A qualifying relative who farms the land on behalf of their farming entity
 - A non-qualifying relative's entity that farms the land, provided:
 - The owner is a member of the farming entity
 - They meet additional requirements for the farmer found in the "Land Owned by a Qualified Entity" section

Land Owned by a Trust

Farm property owned by a trust may qualify for a special agricultural homestead if:

- The **grantors of the trust** and the **active farmer** of the land are Minnesota residents and live within four townships or cities of the property.
- The **grantors and their spouses** (if married) do not claim another Minnesota agricultural homestead.
- The **active farmer** is one of the following:
 - The grantor of the trust that owns the agricultural land
 - A qualifying relative of the grantor or grantor's spouse
 - A qualifying relative who farms the land on behalf of their farming entity
 - A non-qualifying relative's entity that farms the land, provided:
 - The grantor is a member of the farming entity
 - Additional requirements for the farmer can be found in the "Land Owned by a Qualified Entity" section
 - Land Owned by a Qualified Entity

Land Owned by a Qualified Entity

Farm property owned by a qualified authorized entity may qualify for an agricultural homestead if certain criteria are met. Qualified authorized entities include:

- Family farm corporations
- Joint family farm ventures
- Family farm limited liability companies
- Partnerships operating a family farm

Unoccupied Entity-Owned Agricultural Property

The **active farmer** of the land must:

- Be a Minnesota resident
- Be a member of both the owning and operating entity if they are different
- Live within four townships or cities of the agricultural land
- Not claim another agricultural homestead in Minnesota and neither can their spouse

Occupied Entity-Owned Agricultural Property

The **occupant** must:

- Be a member of the owning entity and, if they are different, the farming entity
- Be actively engaged in farming
- Not claim another agricultural homestead in Minnesota and neither can their spouse

Note: Someone actively engaged in farming is a person who occupies the agricultural property and has substantial involvement in the farming operation, but less direct involvement and participation than actively farming.

How to Apply

The owner must submit a special agricultural homestead application to the county assessor by December 31. Contact your [county assessor's office](#) for a special agricultural homestead application.

The county may also require:

- Federal Form 156 EZ from the county Farm Service Agency
- Schedule F or an equivalent form
- Other documentation

If you have agricultural property in more than one county, you must include those parcels on your application.

Questions?

If you have property-specific questions, contact the Pope County Assessor's office at 320-634-7715.

If you have questions about the homestead requirements, email proptax.division@state.mn.us



This fact sheet is intended to help you become more familiar with Minnesota tax laws and your rights and responsibilities under the laws. Nothing in this fact sheet supersedes, alters, or otherwise changes any provisions of the tax law, administrative rules, court decisions, or revenue notices.

Information pulled from the Minnesota Department of Revenue website – Last updated August 11, 2020
<https://www.revenue.state.mn.us/special-agricultural-homestead>

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