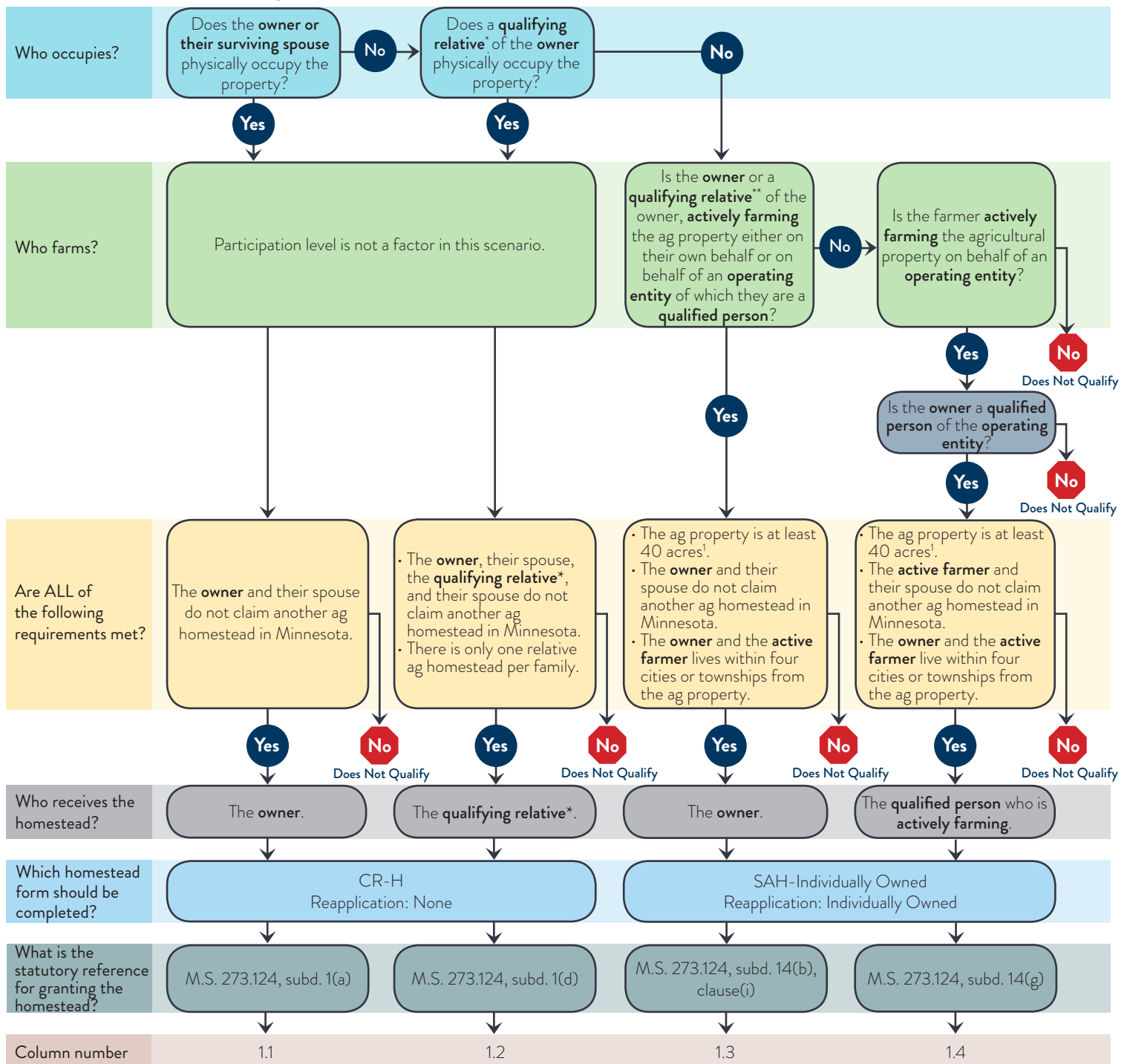


Establishing Individually Owned Agricultural Homestead Flowchart

Note: Terms in **bold** are defined in the glossary.

Revised July 2021



Footnote

Glossary

¹The ag property is at least 40 acres, including undivided government lots and correctional 40's.

Actively farming - participation in the day-to-day decision making, labor, administration, and management of the farm as well as assuming all or a portion of the financial risks and sharing in any profits or losses. The person who is actively farming must be a Minnesota resident.

Operating entity - must meet the authorized entity requirements of M.S. 500.24 and must be operating the agricultural land. (See M.S. 273.124, sub 8(a))

Owner - is defined as an individual person or multiple people who own the property. An owner must be a Minnesota resident.

Qualified person - must be a Minnesota resident and can be a member, shareholder, or partner in an authorized entity.

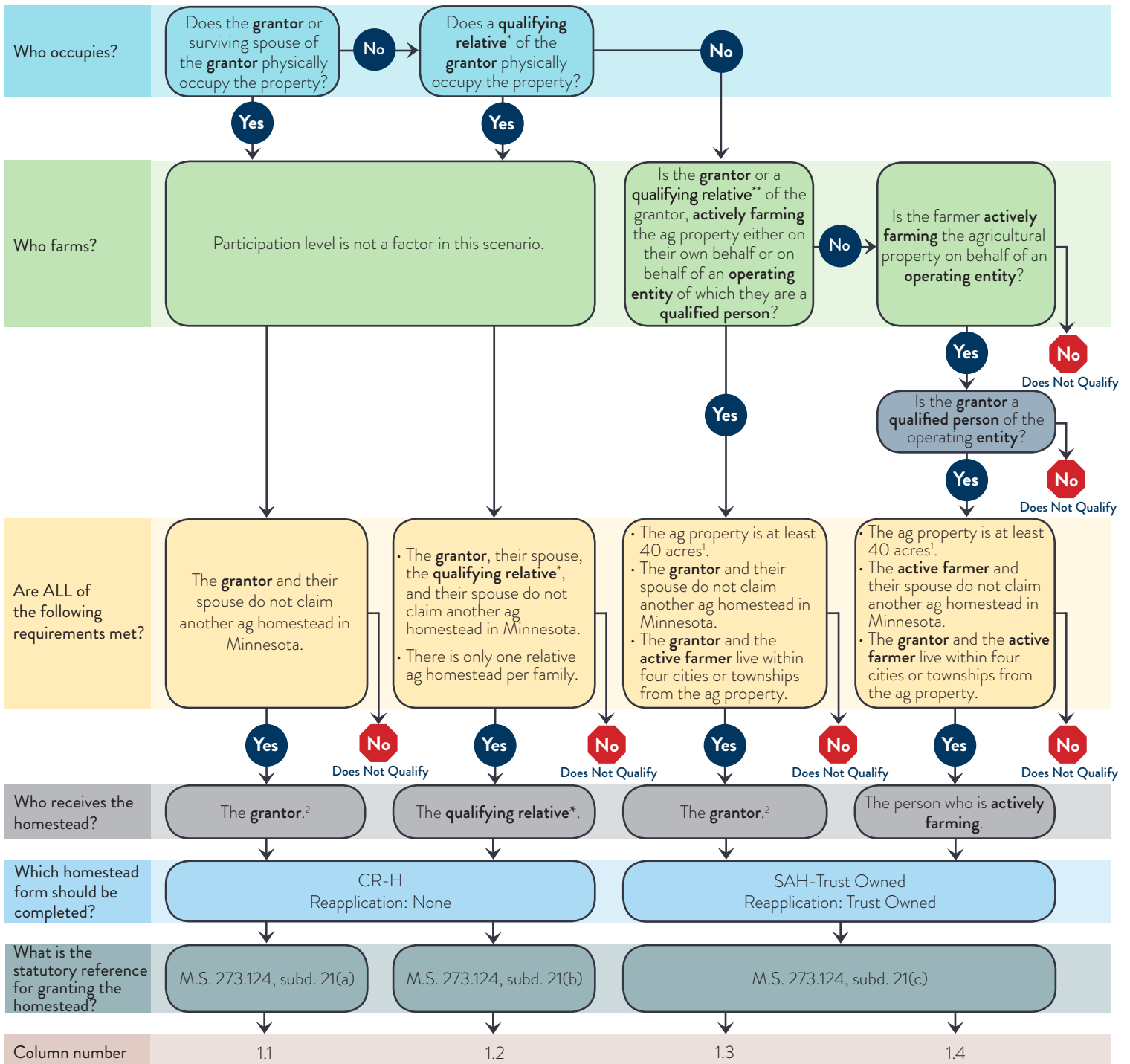
Qualifying relative* - must be a Minnesota resident. For **occupied** property, a qualifying relative is a child, sibling, grandchild, parent, grandparent, aunt, uncle, nephew, or niece, by blood or marriage. (See M.S. 273.124, sub 1(d))

Qualifying relative** - must be a Minnesota resident. For **unoccupied** property, a qualifying relative is a child, sibling, grandchild, or parents, by blood or marriage. (See M.S. 273.124, sub 14(b)(i)(2))

Establishing Trust Owned Agricultural Homestead Flowchart

Note: Terms in **bold** are defined in the glossary.

Revised July 2021



Footnote

¹The ag property is at least 40 acres, including undivided government lots and correctional 40's.
²If the grantor is deceased, the property may still qualify for homestead to the benefit of the trust. The active farmer must sign the application, attesting that the requirements are factually met, but the homestead is given to the land owned by the trust.

Glossary

Actively farming - participation in the day-to-day decision making, labor, administration, and management of the farm as well as assuming all or a portion of the financial risks and sharing in any profits or losses. The person who is actively farming must be a Minnesota resident.

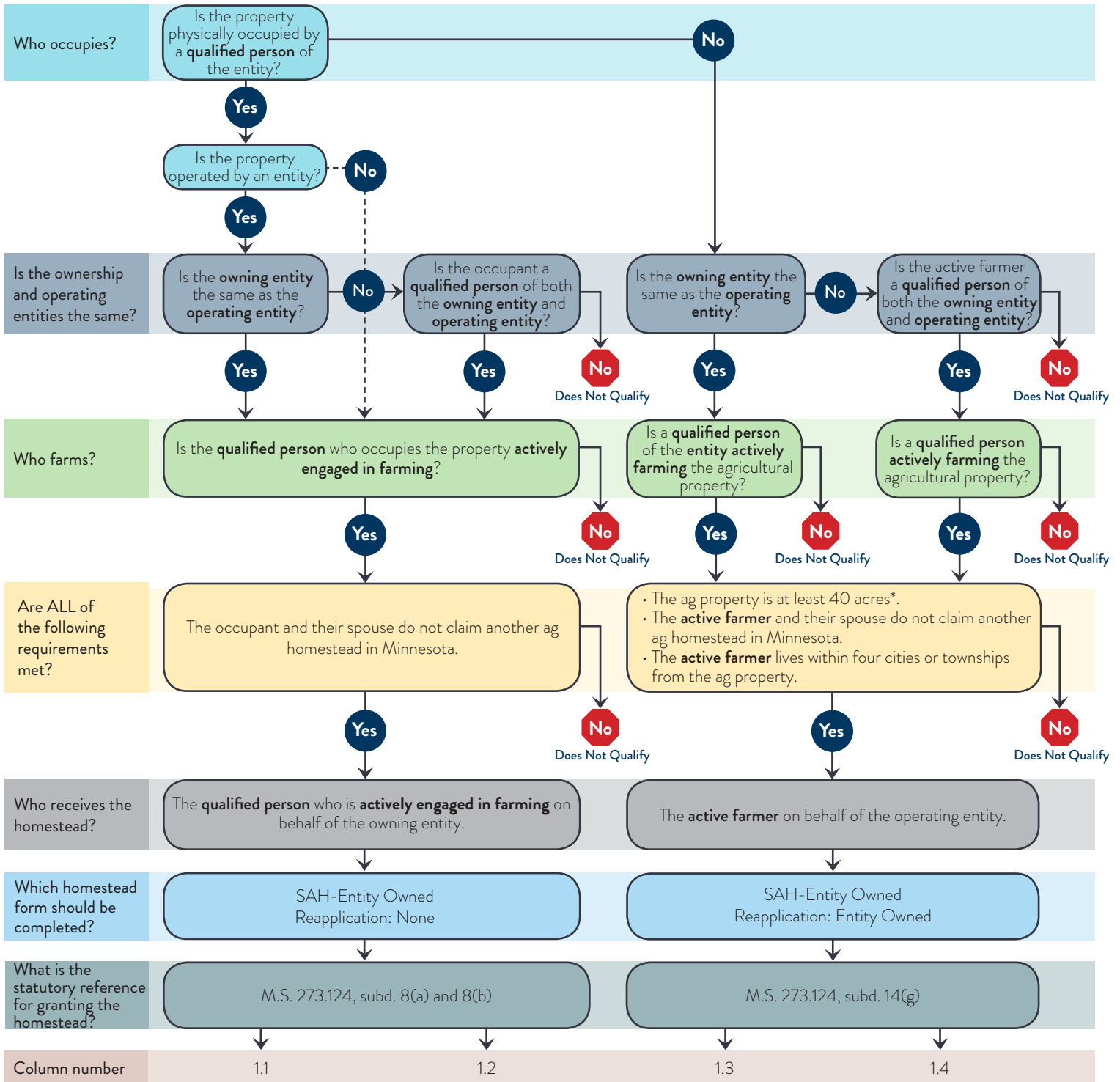
Grantor - is defined as the person creating or establishing a trust.
Operating entity - must meet the authorized entity requirements of M.S. 500.24 and must be operating the agricultural land. (See M.S. 273.124, subdivision 8(a).)
Qualified person - must be a Minnesota resident and can be a member, shareholder, or partner in an authorized entity.

Qualifying relative* - must be a Minnesota resident. For **occupied** property, a qualifying relative is a child, sibling, grandchild, parent, grandparent, aunt, uncle, nephew, or niece, by blood or marriage. (See M.S. 273.124, sub 1(d))
Qualifying relative** - must be a Minnesota resident. For **unoccupied** property, a qualified relative is a child, sibling, grandchild, or parent, by blood or marriage. (See M.S. 273.124, sub 14(b)(i)(2)).

Establishing Entity Owned Agricultural Homestead Flowchart

Note: Terms in **bold** are defined in the glossary.

Revised September 2019



Footnote

*The ag property is at least 40 acres, including undivided government lots and correctional 40's.

Glossary

Actively engaged in farming - participation on the farm on a regular and substantial basis. The person who is actively engaged in farming must be a Minnesota resident.

Active farmer - participation in the day-to-day decision making, labor, administration, and management of the farm as well as assuming all or a portion of the financial risks and sharing in any profits or losses. The person who is actively farming must be a Minnesota resident.

Owning/operating entity - must meet the authorized entity requirements of M.S. 500.24 and must be owning and/or operating the agricultural land. (See M.S. 273.124, subdivision 8(a).)

Qualified person - must be a Minnesota resident and can be a member, shareholder, or partner in an authorized entity.