

**CONFIDENTIAL**  
**APPLICATION FOR:**  
**KENTUCKY SELLING FARMER TAX CREDIT PROGRAM**  
**SELLER CERTIFICATION**



Rev 7/2025

**INSTRUCTIONS**

This application is for Sellers of Agricultural Land and Assets who are seeking a Selling Farmer Tax Credit by selling to either a Beginning Farmer or an Actively Engaged Farmer, collectively known as the Buyer. Applicants should review the Kentucky Selling Farmer Tax Credit (KSFTC) Program Guidelines prior to completing this application. KSFTC Guidelines are available online at:

<https://newkentuckyhome.ky.gov/Entrepreneurship/KSFTC>

This application contains a number of capitalized phrases such as Seller, Immediate Family Member, Agricultural Assets, etc. Each capitalized phrase refers to a specific definition used in the KSFTC program. Refer to the KSFTC Guidelines to learn more about the definition for each word or phrase as it applies to the KSFTC program.

The purpose of the Kentucky Selling Farmer Tax Credit program is to promote the continued use of Agricultural Land for Farming Operations by granting tax credits to Sellers who agree to sell Agricultural Land and Assets to Beginning Farmers or Actively Engaged Farmers. This application should be completed by a Seller Farmer after a Sale of Agricultural Assets to a Beginning Farmer. This application is one part of a two-part application process for a Seller to obtain tax credit eligibility. The Seller must submit this application to complete one part. The Buyer must complete and submit a separate Buyer application to complete the second part.

The Buyer and Seller applications do not have to be submitted at the same time, but they must both be received at the emailed or mail address below no later than twelve months after an eligible Agricultural Assets sale date. Note: the Seller application cannot be submitted until after a Sale of Agricultural Assets occurs. Seller applications cannot be fully evaluated for tax credit eligibility until the corresponding Buyer application has been received and processed. While the Seller is not responsible for the Buyer's application, lack of a timely complete and accurate Buyer application may impact the Seller's tax credit eligibility. Sellers should consider working with the Buyer involved in an Agricultural Assets sale to ensure that all documentation and requirements needed to ensure Seller tax credit eligibility are met.

Because the Seller application cannot be submitted until after the sale of Agricultural Assets occurs, it is extremely important that the Seller understand all program eligibility requirements. Failure to complete an eligible sale of Agricultural Assets and submit timely documentation may cause the Seller to not qualify for tax credit eligibility. Note also that a limited number of tax credits are available through this program. Completion of an eligible sale of Agricultural Assets does not guarantee that the Seller will receive a tax credit. In addition, Sellers are limited to a maximum tax credit of \$25,000 per calendar year and \$100,000 lifetime for sales to Actively Engaged Farmers, and \$50,000 per calendar year and \$200,000 lifetime for sales to Beginning Farmers..

**Application Submission Checklist:** the following information is needed before tax credit eligibility can be determined. Applicants must have received receipt of the application in our office no later than 12 months after the Agricultural Assets sale date.

- ☐ A completed and signed Seller application (under the 'Seller Application' worksheet tab)
- ☐ A completed and signed Incentive Disclosure form (under the 'Disclosure' worksheet tab)
- ☐ A signed purchase agreement
- ☐ A loan closing document/settlement statement
- ☐ A recorded deed (a recorded deed has evidence showing it has been recorded by the county clerk)
- ☐ An appraisal of the sold Agricultural Land done by a licensed Kentucky appraiser
- ☐ Payment of a non-refundable \$500 application fee (see below for payment details)
- ☐ A completed Buyer application signed by the buyer(s) of the sold Agricultural Land
- ☐ If applications are signed electronically, an e-signature statement (see below for e-signature details; this is not required if you print and manually sign the application or use Adobe Acrobat e-signature)

While not required, it may be advantageous to work with the Buyer to obtain some of the needed documentation. Submitted documentation must provide a clear trail of the sales transaction showing legal transfer of Agricultural Assets, and it must adequately support the costs claimed in the application.

**Payment Details:** the non-refundable \$500 application fee may be paid by check (made payable to KEDFA and mailed to the address below) or paid online via credit card or ACH at the following website:

<https://ced.ky.gov/epayments>

If paying online, access the website above, click on the 'PAY APPLICATION FEES' button, enter your contact information at the top of the page, click the box next to the 'KSFTC' header near the bottom of the page (make sure you select 'KSFTC', not 'KSBTC'), and then click the 'NEXT' button. Verify that the correct application fee amount of \$500 is displayed on the screen and then click either the 'ACH/ELECTRONIC CHECK' or 'CREDIT CARD' link to identify how you want to pay. After selecting your payment type, provide the additional required payment information. You will be given the option to receive a payment receipt at the completion of the payment transaction.

This application should be completed, signed and submitted to the address below or emailed to [cedsbsd@ky.gov](mailto:cedsbsd@ky.gov).

Kentucky Cabinet for Economic Development  
Office of Entrepreneurship and Innovation  
Mayo-Underwood Bldg  
500 Mero Street, 5th Floor  
Frankfort, KY 40601

**Incentive Disclosure Form Details** - enter the legal name of the beneficiary on row 26. The beneficiary is the name of the Seller(s) applying for a tax credit. Names listed here must match names of sellers listed on the deed for the sold Agricultural Land included in the application. On rows 27-31, enter all individuals who had contact (phone, personal, email, fax, etc.) with any employees of the Cabinet for Economic Development (CED), individuals serving on boards attached to CED, or other public servants regarding the preparation and submission of this KSFTC application. If an accountant or other individual external to the Seller had contact with CED, individuals serving on boards attached to CED, or other public servants regarding this application, he/she must be listed as well. Answer the Yes/No question on row 34. If you answer No, skip to the bottom of the form to sign. If you answer Yes, provide details of all financial transactions that occurred before signing.

**Our Electronic Signature policy:** The person responsible for signing this application may type his/her name in the signature field, but the name must be preceded by "I/s" (e.g., /s Jim Smith). If you are unable to type "I/s", put a space before the slash. *It is also required from the signer providing a statement certifying/authenticating that the typed signature on the document is his/her signature. A sample emailed statement, if sent by the signer on the application, would be something like "I certify that the electronic signature on the attached application is my signature and was provided by me."*

If you need assistance with the application, email [cedsbsd@ky.gov](mailto:cedsbsd@ky.gov) or call (502) 564-7670.

**CONFIDENTIAL**

**APPLICATION FOR:  
KENTUCKY SELLING FARMER TAX CREDIT PROGRAM  
SELLER CERTIFICATION**



**Form Submission  
Date (MM/DD/YY):**

*For tax credit consideration, application must be received in our office no later than 12 months after the Agricultural Assets sale date.*

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***Application cannot be submitted prior to the Agricultural Assets sale date.***

**SELLER INFORMATION**

Legal Seller Name(s) - must exactly match name(s) on recorded deed of purchased Agricultural Land. If the sold Agricultural Land had more than one owner, list each owner below.

Answer this question only if the Seller listed above is an entity (such as an LLC or corporation) that is required to register with the Kentucky Secretary of State:

Is the Seller registered and in good standing with the Kentucky Secretary of State?

Address of Sold Agricultural Land City State Zip Code

Current Seller Mailing Address City State Zip Code

Federal Employer ID # (if applicant has one) Legal Structure of Farming Operation at Time of Sale

County Location of Sold Agricultural Land Sold Land Acreage Seller Number of Full-time Employees as of Agricultural Assets Sale Date

Seller Contact Person Phone Number Email

Summarize your type of Farming Operation on Agricultural Land sold to the Buyer (row crops, cattle, etc.)

Please identify ALL Seller individuals (and owners of the entity, if Seller listed at the top of this form is an entity such as an LLC or corporation) on the Agricultural Assets sale date. If any owners are legal entities other than individuals, additional information may be required. The Cabinet may run a background check on any individuals listed. If additional space is needed, submit listing on an attached document.

Full Legal Name of all Individual or Entity Sellers Listed on Deed Date of Birth Full Home Address (Include City/State) Social Security # (or FEIN # if an entity) Kentucky Taxpayer?

Email addresses for ownership individuals listed above #1/Row 30 #2/Row 31 #3/Row 32 #4/Row 33 #5/Row 34

**Answer Yes or No:** Has the applicant, or any owner or affiliate of the applicant, ever been convicted of any criminal offenses, been in receivership or adjudicated a bankruptcy, or been denied a business related license or had a business related license suspended or revoked by any administrative, governmental or regulatory agency?

*If yes, please list the violation below and explain (attach additional explanation if needed):*

## ELIGIBILITY CRITERIA

Enter below the name of the Buyer(s) exactly as it appears on the recorded deed associated with the Agricultural Assets sale for which a tax credit is being requested. Enter also the Agricultural Assets sale date.

Buyer(s) Name as Listed on Deed

Agricultural Assets Sale Date (MM/DD/YY)

Sales to Beginning Farmers are subject to a \$50,000 annual tax credit cap and a \$200,000 lifetime cap. Sales to Actively Engaged Farmers are subject to a \$25,000 annual tax credit cap and a \$100,000 lifetime cap.

Does the Buyer listed above qualify as a

**Beginning Farmer?**

For Buyer type identified, the max potential

tax credit for this application is

**Description of Agricultural Assets Sold to Buyer (must be supported by attached documentation,**

**including, at a minimum, fully executed documents verifying the sale, appraisal, loan closing/settlement**

**documents, and recorded deed showing legal transfer of Agricultural Land from Seller to Buyer. Sale**

date on supporting documentation must match Agricultural Assets sale date listed above. Additional supporting

documentation may be required. Sale of Agricultural Land located in Kentucky is required for tax credit

consideration. Sale of additional eligible Agricultural Assets is optional but, if included, must be sold as part of

the same transaction involving Agricultural Land to be eligible for tax credit consideration. All Agricultural Assets

must be sold by the Seller listed in this application, and sold to the Buyer listed in this application.

| Agricultural Asset Description (attach supporting documentation for claimed costs)          | Sale Price |
|---------------------------------------------------------------------------------------------|------------|
| Agricultural Land (land only, excluding any buildings, facilities or personal property)     |            |
| Agricultural Buildings located on Agricultural Land sold, EXCLUDING residential structures  |            |
| Other Agricultural Assets included in sale, if applicable (attach documentation)            |            |
| <b>Potential Qualifying Cost</b> <i>Agricultural Land purchase is a minimum requirement</i> | <b>\$0</b> |
| <b>Maximum Potential Tax Credit (lesser of 5% of potential qualifying costs of Seller</b>   | <b>\$0</b> |
| <b>annual tax credit cap listed above, subject to KY review and approval)</b>               |            |

Answer the following questions of the Agricultural Assets sale date listed above

1. Prior to the Agricultural Assets sale listed above, were the Agricultural Assets sold to the Buyer solely owned by the Seller, AND did the Seller operate a Farming Operation on the sold Agricultural Land that meets all selling farmer program requirements?
2. Did the Seller, at any time during his/her ownership, use any of the Agricultural Land sold to the Buyer for personal or commercial solar power production?
3. Was the Seller a bank or similar lending/financial institution, or a farm equipment dealer, livestock dealer or similar dealer entity not primarily engaged in farming?
4. Were any owners of the Seller or spouses of owners of the Seller, Immediate Family Members of any of the owners, partners, members, shareholders or trustees of the Buyer listed above?

## CERTIFICATION

Tax credit eligibility is determined by the information presented in this application and any requested attachments. Any changes in the status of the application from the facts presented herein could jeopardize the applicant's eligibility. If requested, the applicant agrees to provide additional information needed to confirm the applicant's eligibility for this program.

I, the undersigned, as an authorized signatory for the applicant business, hereby represent and certify that I have read the Kentucky Selling Farmer Tax Credit Guidelines and that the foregoing application information, including all attachments, to the best of my knowledge, is true, complete and accurate.

The undersigned acknowledges that information contained within the application and its attachments may be subject to public disclosure to the extent required by law pursuant to any request made under the Kentucky Open Records Act contained in Chapter 61 of the Kentucky Revised Statutes. Notwithstanding the above, except as otherwise agreed to by the applicant in writing, no confidential or proprietary application information shall be disclosed if properly excluded from disclosure under KRS 61.878 (as determined by the Authority, the Kentucky Attorney General or court of competent jurisdiction).

**For each of the following statements, enter Yes if the corresponding statement is an accurate statement for the applicant company. Enter No if the corresponding statement is not an accurate statement for the applicant business. Each response shall operate as a separate certification. The undersigned hereby certifies to the best of his/her knowledge:**

☐ The applicant (including any affiliate) has not been placed in receivership or bankruptcy; been denied a business-related license, or had a business-related license revoked by any administrative, governmental, or regulatory agency.

☐ The Chief Executive Officer, or a similarly situated person in charge of the applicant's day-to-day operations, has not been convicted of any criminal offenses or filed for bankruptcy within the last ten years.

☐ The Chief Financial Officer, or a similarly situated person in charge of the applicant's financial affairs, has not been convicted of any criminal offenses or filed for bankruptcy within the last ten years.

**If unable to answer Yes to all three of the statements above, please attach a brief explanation on a separate sheet of paper which shall be incorporated as an attachment to this application.**

The applicant shall make the Cabinet aware if, subsequent to the filing of this application, including during the term of any agreement entered into between the applicant and the Cabinet or KRDFA, the applicant, or any owner or affiliate of the applicant, is convicted of any criminal offenses, is placed in receivership or adjudicated bankrupt, or is denied a business related license or has a business related license suspended or revoked by any administrative, governmental or regulatory agency.

In addition, the undersigned applicant acknowledges and grants its permission to the Authority to share any and all information contained within the application and its attachments with appropriate state or federal government agencies, local jurisdiction(s), applicable Beginning Farmer(s), and contracted consultants to determine the feasibility and potential impacts associated with this application.

**Our Electronic Signature policy:** The person responsible for signing this application may type his/her name in the signature field, but the name must be preceded by a "/s" (e.g., /s Jim Smith). If you are unable to type "/s", put a space before the slash. **An email is also required from the signer providing a statement certifying/authenticating the typed signature on the document is his/her signature.**

\_\_\_\_\_  
Signature (must be signed by authorized owner)

← **If signing electronically, send required email verification statement with your application.**

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Date

**CONFIDENTIAL**  
**ATTACHMENT A - INCENTIVE DISCLOSURE  
STATEMENT**



Applicant Name

County Where Project will be Located

**INSTRUCTIONS:** In accordance with the Executive Branch Code of Ethics, Chapter 11A of the Kentucky Revised Statutes ("KRS"), before any board or authority within or attached to the Cabinet for Economic Development ("CED") takes final action on any contract or agreement by which a bond, grant, lease, loan, assessment, incentive, inducement, or tax credit is awarded (the "incentive package"), the beneficiary of the incentive package must file with the approving board or authority a disclosure statement setting: (i) the identity of the beneficiary of the incentive package, (ii) the identity of any person employed or acting on behalf of the beneficiary with respect to the incentive package, (iii) the details of any financial transaction (as defined in KRS 11A.201(6)(a), see below) between the beneficiary (or any other person listed in (ii) above) and any agent or public servant of the CED, any member of any board or authority within or attached to that Cabinet, or any other public servant involved in the negotiation of the economic incentive package.

Your application or request will not be processed until this form is filed. CED will file copies of this form with the Executive Branch Ethics Commission pursuant to KRS 11A.205.

**NOTE:** For purposes of KRS 11A.201(6)(a), the definition of "financial transaction" is activity conducted or undertaken for profit, not available to the general public on the same terms, that arises from the joint ownership, the ownership, or part ownership in common, of any real or personal property or any commercial or business enterprise of whatever form between:

- 1) Beneficiary, agent or employee of the beneficiary, and
- 2) CED agent, employee, member of board or authority attached to CED, or other public servant involved in the negotiation of any incentive package.

Beneficiary's Legal Name (Name of Seller(s) Applying for an Incentive)

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Type(s) of Economic Incentive Package: Kentucky Selling Farmer Tax Credit (KSFTC)

Please identify all employees or agents of the Beneficiary who have acted on behalf of the Beneficiary in its dealings with the CED or any board or authority within or attached to the CED in regard to the above incentive package.

| Name | Title | Organization |
|------|-------|--------------|
|      |       |              |
|      |       |              |
|      |       |              |
|      |       |              |
|      |       |              |

Please attach additional listing if more space is needed.



Have any of the employees or agents of the Beneficiary had any "financial transactions" (as defined above) with a CED agent, employee, or a board or agency attached to CED or any other public servant involved in the negotiation of any economic incentive package?

|  |
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|  |
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If yes, please detail any "financial transactions" (as defined above) between the Beneficiary (or any other person listed as an employee or agent of the Beneficiary) and (i) any agent or public servant of the CED, (ii) any member of any board or authority within or attached to that Cabinet, or (iii) any other public servant involved in the negotiation of the economic incentive package:

**TRANSACTION 1**

|                                         |                                                          |
|-----------------------------------------|----------------------------------------------------------|
| Name of Beneficiary (agent or employee) | Name of CED (agent, employee, or board/authority member) |
|                                         |                                                          |
| Name of Other Public Servant            |                                                          |
|                                         |                                                          |
| Description of Financial Transaction    |                                                          |
|                                         |                                                          |

**TRANSACTION 2**

|                                         |                                                          |
|-----------------------------------------|----------------------------------------------------------|
| Name of Beneficiary (agent or employee) | Name of CED (agent, employee, or board/authority member) |
|                                         |                                                          |
| Name of Other Public Servant            |                                                          |
|                                         |                                                          |
| Description of Financial Transaction    |                                                          |
|                                         |                                                          |

**TRANSACTION 3**

|                                         |                                                          |
|-----------------------------------------|----------------------------------------------------------|
| Name of Beneficiary (agent or employee) | Name of CED (agent, employee, or board/authority member) |
|                                         |                                                          |
| Name of Other Public Servant            |                                                          |
|                                         |                                                          |
| Description of Financial Transaction    |                                                          |
|                                         |                                                          |

Please attach additional listing if more space is needed.

The undersigned, duly authorized representative of the Beneficiary listed above, hereby certifies that the information set forth in this Economic Incentive Disclosure Statement has been reviewed, and is true and correct to the best of the knowledge of the undersigned.

Signature

Date

**For Electronic Signature:** The person responsible for signing the document may type his/her name in the signature field, but the name must be preceded by a "/s" (e.g., /s Jim Smith). An email is also required from the signer providing a statement certifying/authenticating the typed signature on the document is his/her signature. If signing electronically, send the verification statement with your application.