**12:21:01:06.  Eligibility.** To be eligible for assistance under this chapter, the first-time farmer must meet the following requirements:

(1)  The first-time farmer must be a resident of South Dakota at the time the bond is issued to finance the loan and must be at least 18 years of age;

(2)  The first-time farmer must document to the lender and the authority sufficient training and experience for the anticipated farm operations;

(3)  The first-time farmer must, as a condition of loan closing, demonstrate to the satisfaction of the lender and the authority access as needed to working capital, farm machinery, livestock, and agricultural land;

(4)  Individuals must be first-time farmers regardless of the purpose of the loan as defined in § 147(C) of the Internal Revenue Code as amended to July 1, 2008;

(5)  The agricultural land and agricultural improvements may be used for farming only by the individual, the individual's spouse, the individual's minor children, or any of them;

(6)  The first-time farmer must meet net worth requirements as described in § 12:21:01:04;

(7)  The first-time farmer must meet the requirements of § 267(a), (b), and (c)(4) of the Internal Revenue Code, as amended to July 1, 2008, concerning related persons.

**Source:** 22 SDR 97, effective January 22, 1996; 23 SDR 91, effective December 9, 1996; 35 SDR 67, effective September 30, 2008.

**General Authority:** SDCL 1-16E-24.

**Law Implemented:** SDCL 1-16E-24.