

# Plant Your Roots Interest Rebate

2023 – 2024



## PROGRAM OBJECTIVE

The objective of this program is to encourage and support new ownership of commercial farms in Nova Scotia. Program funds are intended to improve the financial stability of beginning farmers in the first years of operation, based on a four-year projected calculation of eligible loan interest on new loans only.

## ELIGIBLE APPLICANTS

- Registered Farms
- Mi'kmaq conducting farming activities in a Mi'kmaq community and other under-represented communities, including new African Nova Scotians

## PROGRAM CRITERIA

### Stream 1: New Entrant

- Starting a farm business with the goal of reaching a commercial scale level within 5 years
- Applicants must work with their local Business Development Officer or Agricultural Representative on their business plan.
- Applicants must reach a minimum level of annual gross income by March 2028. The income level required will be based on the level of funding approved. Example: If a new entrant is approved for a loan that has \$30,000 in interest over four years, that client will be expected to have an income level of at least \$30,000 by March 2028. Clients who do not meet their minimum annual gross income level will be required to pay back the difference.
- currently and properly registered in the correct income category under the *Farm Registration Act*
- is at least 19 years of age, a resident of Nova Scotia and actively farming in the program year
- eligible loan approvals must be approved after April 1, 2023.

### Stream 2: Commercial Farm Purchases / Purchasing 25% Interest

- purchasing a commercial farm or purchasing interest in a commercial farm in Nova Scotia for the first time.
- applicant must have at least 25% ownership of the farm (new within 6 months)
- currently and properly registered in the correct income category under the *Farm Registration Act*
- is at least 19 years of age, a resident of Nova Scotia and actively farming in the program year
- a farm business which generates an annual gross income of at least \$10,000. The eligible commodity income will be based on the Statement of Farming Activities (T2042, T1273 or Schedule 125 - Farm Revenue: detailing sales by commodity revenue code).
- eligible loan approvals must be approved after April 1, 2023.

## PROGRAM GUIDELINES 2023-24

### FINANCIAL ASSISTANCE

Maximum funding will be determined by a calculation of the projected loan interest over four years to a maximum of \$100,000.

Applicants must be either a) starting a new operation or b) purchasing a minimum of 25% of a commercial business AND borrowing money for one of the following purposes:

- Innovative technologies with a focus on labour efficiencies
- Technologies supporting local food production
- Commercial farm purchases
- Investment in properties to create active farm locations or reactivate viable farmland.

Benefits may be available to more than one child in a family provided each child operates his/her own farm entity as a separate and unique business (e.g. separate management, accounting, etc.)

**Note 1:** Funding for the program is limited and the final decision to support will be determined by Programs.

### FUNDING REQUIREMENTS

The following items must be met:

- Application and Repayment Agreement forms must be received **by February 15, 2024**
- Applicant must provide a copy of the loan agreement that includes all of the following:
  - loan details (must include loan amount and purpose);
  - loan amortization; and
  - interest rate and interest rate calculation for the four years of the loan duration.
- Qualifying loans must include a fixed interest rate.
- If reporting farm revenue, attach a copy of the most recent farm business' Statement of Farming Activities (T2042, T1273) or Schedule 125 Farm Revenue – detailing sales by commodity revenue code that was filed with Canada Revenue Agency (CRA) for the most recently filed tax year.
- If not reporting farm revenue, please provide a copy of most recent page 1 & 2 of the applicant's T1 General.

### INELIGIBLE

- Variable Interest Rate Loans
- Refinancing of Existing Loans
- Operating Lines of Credit

**Note 1:** Farms that previously received benefits under the FarmNEXT Programs will not be eligible.

## PROGRAM GUIDELINES 2023-24

### APPLICATION PROCESS

To apply for the Plant Your Roots Interest Program, complete and submit the Application and Repayment forms by the application deadline. Late applications will not be accepted.

**Application Deadline:** February 15, 2024

**Note:** All applicants must submit a new Program Funding Registration Form at time of application.

### APPROVAL PROCESS

Applications are assessed based on the information and supporting documentation. If an application requires further assessment or information, Programs staff will follow up with the applicant.

### REPAYMENT AGREEMENT

The applicant will be required to repay the amount of benefit received through this program if the farm, farmland or assets relating to the eligible loan are sold, or if the farming operation is discontinued for any reason within a **five-year** period from the date of loan/program approval.

New Entrant applicants who do not meet their minimum level of gross revenue by March 2028 (determined by their approved funding amount) will be required to repay the difference between their funding approved and their gross revenue. Ex: if an applicant receives \$30,000 from the program, we want to see that their gross revenue is at least \$30,000 by March 2028. If their gross revenue is \$25,000, we would require them to pay back \$5,000.

### AUTHORITY

The Nova Scotia Department of Agriculture (NSDA) shall have the authority to deny an application if there is evidence of misrepresentation of pertinent information, or if the NSDA believes that an application does not conform to the spirit of the program.

### EVALUATION AND AUDIT

Review and evaluation of projects may be carried out by NSDA, Government of Canada or other parties chosen by NSDA for the purpose of audit, analysis, evaluation, program development and determining financial assistance. This review and evaluation process may be conducted prior to project commencement, during work or upon project completion. Applicants may be asked to complete an evaluation survey related to their final claim.

### CONFIDENTIALITY

Applicants consent to the release of their name and the amount of support received under the program. This specific information is deemed to be public information, to be actively disseminated by NSDA. NSDA may provide any information from an applicant to another public body or a law-enforcement agency in Canada to assist in an investigation, undertaken with a view to a law-enforcement proceeding or from which a law-enforcement proceeding is likely to result. Any other information provided, unless disclosed in the manner and for the purposes stated above, will be subject to the confidentiality and disclosure provisions of the Freedom of Information and Protection of Privacy Act.

## CONTACT INFORMATION

Please submit all documents to Programs at the address, email or fax number below. For more information, please contact Programs or your regional office.

<b>Programs</b> 74 Research Drive Bible Hill, Nova Scotia B6L 2R2 <b>Fax:</b> 902-893-7579 <b>Telephone:</b> 902-893-6377 <b>Toll Free:</b> 1-866-844-4276 <b>Email:</b> <a href="mailto:prm@novascotia.ca">prm@novascotia.ca</a>		
Western Region Offices	Yarmouth	902-223-8085
	Digby	902-638-2395
	Kentville	902-679-6021
	Lunenburg	902-634-7575
Eastern Region Offices	Truro	902-893-6575
	Nappan	782-370-2278
	Antigonish	902-863-7180
	Sydney	902-563-2000