

Foreign Investors With Agricultural Land Holdings



When to Report

Foreign investors who buy, sell, or transfer agricultural land, or that enter into or terminate a 10 year or longer lease, must report those transactions within 90 days.

Where to Report

The Farm Service Agency (FSA) administers AFIDA. Persons wishing to obtain an AFIDA report form (FSA-153) may do so from any FSA county office or on-line: <https://forms.sc.egov.usda.gov/efcommon/eFileServices/eForms/FSA153.PDF>.

The completed form must be returned to the FSA county office where the land is located or, for large, complex filings, to the AFIDA main office in Washington, D.C., Attn: Mary Estep, 1400 Independence Avenue, SW, Room 3112- S, Washington, DC 20250.

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What They Should Know
About the Agricultural
Foreign Investment
Disclosure Act (AFIDA)
of 1978

Foreign Investors Who Hold Agricultural Land

Foreign investors who hold a significant interest or substantial control in U.S. agricultural land, either through ownership or a 10 year or longer lease, must report their holdings and transactions to the U.S. Department of Agriculture. This reporting is required by the 1978 Agricultural Foreign Investment Disclosure Act (AFIDA). The data gained from these disclosures are used to prepare an annual report to Congress.

Failure to timely file an accurate report can result in a penalty of up to 25 percent of the fair market value of the agricultural land.

Who Must Report

- Individuals who are not U.S. citizens, citizens of the Northern Mariana Islands, or citizens of a territory or possession of the United States.
- Individuals who are not lawfully admitted to the United States for permanent residence or who are not paroled into the United States under the Immigration and Nationality Act.

- Any organization created under the laws of a foreign government or which has located its principal place of business outside the United States.
- Any U.S. organization in which a significant interest or substantial control is directly or indirectly held by foreign individuals, organizations, or governments.
- Any foreign governments.

Definition of Significant Interest or Substantial Control

- A direct or indirect interest of 10 percent or more held by a single foreign individual, organization, or government.
- A direct or indirect collective interest of 10 percent or more held by a group of foreign individuals, organizations, or governments, acting in concert.
- A direct or indirect collective interest of 50 percent or more held by a group of foreign individuals, organizations, or governments, not acting in concert.

What to Report

- Each tract of agricultural land in the United States, its territories and possessions, and the Northern Mariana Islands, owned by persons required to report.
- Leaseholds of 10 years or longer.

Under the law, the term **agricultural land** means land used for forestry production* and land currently used for farming, ranching, or timber production if tracts are more than 10 acres in size in the aggregate.

Ownership of tracts totaling 10 acres or less in the aggregate which produce annual gross receipts in excess of \$1,000 from the sale of farm, ranch, forestry, or timber products must also be reported.

Land which is currently idle, but last used within the past 5 years for farming, ranching, or timber production must also be reported.

*Land used for forestry production means land exceeding 10 acres in which 10 percent or more is stocked by trees of any size including land that formerly had such tree cover and will be naturally or artificially regenerated.

It does not matter whether the owner ever intends to cut and sell the trees.