

Texas Department of Agriculture
Texas Agricultural Finance Authority
Program Overview

“The Texas Department of Agriculture is strengthening agriculture by helping farmers, ranchers and agri-businesses leverage new money at a lower cost. We’re excited to partner with producers to help renew operations, gain stability and build dreams.”

—Agriculture Commissioner Todd Staples

Texas Agricultural Finance Authority

Working with the 81st Texas Legislature, Commissioner Todd Staples is making significant improvements to the Texas Agricultural Finance Authority (TAFA). Through partnerships with banks or other agricultural lending institutions, TAFA now provides special incentives to individuals who wish to establish or enhance their farm or ranch operation or to establish an agriculture-related business.

Agricultural Loan Guarantee

TAFA provides financial assistance to establish or enhance farming or ranching operations or to establish an agricultural-related business. The program provides guarantees based on a tiered structure, not to exceed \$750,000 or 70% of the loan amount, whichever is less. The program also provides an interest rebate as part of the guarantee process to eligible borrowers.

Interest Rate Reduction

TAFA can facilitate commercial lending that may result in lower interest rates compared to current market rates. Any person who proposes to use the proceeds under this program in a manner that will help accomplish the state’s goal of fostering the creation and expansion of an agricultural business in Texas is eligible.

Young Farmer Interest Rate Reduction

Even more beneficial than the standard interest rate reduction program, young farmers can see greater reductions in their interest costs through this program. Any person who is at least 18 years of age but younger than 46 years of age and proposes to use loan proceeds in a manner that will help accomplish the state’s goal of fostering the creation and expansion of an agricultural business in Texas is eligible.

Young Farmer Grant

For the first time ever, TAFA now offers a semiannual grant program to eligible applicants who are at least 18 years of age but younger than 46 years of age and who are engaged in creating or expanding agriculture in Texas. The applicant must be able to make dollar-for-dollar matching expenditures to sustain, create or expand the proposed project. Individual grants may range from \$5,000 to \$10,000.



TODD STAPLES, COMMISSIONER