

All claimants

For taxable years beginning on or after January 1, 2018, the amount of disqualified losses must be included in household income. "Disqualified losses" means the sum of the following amounts, exclusive of net gains from the sale or exchange of capital or business assets and exclusive of net profits:

- Net loss from sole proprietorships
- Net capital loss
- Net loss from sales of business property, excluding loss from involuntary conversions
- Net loss from rental real estate, royalties, partnerships, tax-option (S) corporations, trusts, estates, and real estate mortgage investment conduits
- Net farm loss

Exception: The addition to income does not apply to a claimant who is a farmer and whose primary income is from farming, and the farming generates less than \$250,000 in gross receipts from the operation of the farm premises in the year to which the claim relates.

"Farmer" means any person engaged in farming.

"Farming" means the operation of farm premises owned or rented by the operator.

"Farm premises" means areas used for operations, but does not include other areas, greenhouses or similar structures unless used principally for the production of food and farm plants.

Operation of farm premises includes:

- Planting and cultivating of the soil
- Raising and harvesting of agricultural, horticultural or arboricultural crops
- Raising, breeding, tending, training and management of livestock, bees, poultry, fur-bearing animals, wildlife or aquatic life, or their products
- Processing, drying, packing, packaging, freezing, grading, storing, delivering to storage, to market or to a carrier for transportation to market, distributing directly to consumers or marketing any of the above-named commodities, substantially all of which have been planted or produced thereon
- Clearing of such premises and the salvaging of timber and management and use of wood lots thereon, but not including logging, lumbering or wood cutting operations unless conducted as an accessory to other farming operations
- Managing, conserving, improving and maintaining of such premises or the tools, equipment and improvements thereon and the exchange of labor, services or the exchange of use of equipment with other farmers in pursuing such activities

The operation for not to exceed 30 days during any calendar year, by any person deriving the person's principal income from farming, of farm machinery in performing farming services for other farmers for a consideration other than exchange of labor is deemed farming. Operation of such premises is deemed to include also any other activities commonly considered to be farming whether conducted on or off such premises by the farm operator.