



## Fact Sheet : State Laws on Foreign Land Ownership

Over [four hundred million acres of U.S. farmland](#) will change hands in the next decade. The trends of this land transition are already cause for concern: wealthy buyers are purchasing large tracts of land in high-value transactions that are unattainable for independent farmers, including beginning farmers and farmers of color. Average farmland prices have [nearly doubled](#) from 2005 to 2019, with even greater increases in some states.

Additionally, since the 2008 financial crisis, a new kind of buyer has entered the farmland market: Wall Street investors, pension funds, and other financiers looking for a safe place to park their money. These entities are buying large tracts of land both in the U.S. and abroad, in transactions that effectively amount to land grabs.

In many cases, the buyers are multinational corporations or firms, based in the U.S. or abroad. Some states prohibit acquisition of agricultural or other land by offshore entities, which may provide some protection from land grabs. In practice, U.S.-based companies are some of the biggest land speculators. Laws banning corporations from land acquisition may be more effective; North Dakota and several other states have these laws.

**This fact sheet summarizes laws in the ten states that have restrictions on foreign or offshore ownership of land.** Most of these apply solely to agricultural land, but four states prohibit foreign purchase of any land. Nearly all states have exceptions, primarily for land acquired by a foreign entity through inheritance or in payment of a debt and for entities who have rights to hold land guaranteed by treaty (this would generally apply to tribal nations).



**Prohibits non-resident aliens, foreign businesses, and foreign governments from acquiring agricultural land.**

Exceptions: agricultural land acquired by inheritance or as a debt payment, and agricultural land used for research. Foreign entities may also have an interest in up to 320 acres of agricultural land if the land is acquired for non-farming purposes. As long as the land has non-farm development pending, the foreign entity can lease the land for farming to other entities who are not restricted by Iowa's corporate farming laws.

**Prohibits foreign entities from acquiring title to agricultural land, unless at least 80 percent of ownership is by U.S. citizens or green card holders.**

Exceptions: agricultural land acquired by inheritance or as a debt payment, agricultural land used for research, lands secured by treaty, lands used for transportation by a common carrier, land acquired for the production of timber and forestry or and mining and minerals, land taken for an easement for transmission lines and wind rights, and a limited exception for pipeline facilities.



**The total agricultural land held by all foreign businesses combined cannot exceed one percent of the state's total aggregate agricultural land.**

Exceptions: agricultural land acquired for nonfarming purposes and agricultural land acquired prior to January 1, 1995.

*Note: Missouri's law used to be more restrictive. Smithfield Foods is a major business interest and property holder in the state; in 2013, Smithfield was acquired by what is now called WH Group, a multinational corporation based in China. Ahead of the sale, state legislators pushed a change to the law on foreign ownership of farmland so that Smithfield's Missouri assets could transfer to the new owners.*



**Prohibits foreign entities not incorporated under Nebraska law from acquiring title to any land (not just farmland) lasting more than five years.**

Exceptions: land acquired through inheritance, but it also must be divested within five years. Oil and gas leases are permitted.

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**Prohibits anyone who is not a U.S. or Canadian citizen or U.S. green card holder from acquiring interest in more than 640 acres of agricultural land.**



In these cases, the foreign entity must actively participate in the operations of the agricultural land (with the exception of dairy operations). Foreign partnerships, limited liability companies, and other offshore businesses may not obtain title to agricultural land unless the “ultimate beneficial interest” of the entity is held by U.S. citizens or permanent residents.

Exceptions: agricultural land acquired by inheritance or as a debt payment; agricultural land for use as an industrial site; lands used for transportation by a common carrier. Statute does not apply to entities whose rights to hold land are secured by treaty.

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**The state constitution prohibits any foreign entities from acquiring title to or owning any land (not only farmland) in Oklahoma. Such a person who acquires land in any way must divest it within five years. No exceptions.**

“No foreign corporation shall be formed or licensed under the Oklahoma General Corporation Act for the purpose of engaging in farming or ranching or for the purpose of owning or leasing any interest in land to be used in the business of farming or ranching.”

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Prohibits a foreign entity from acquiring an interest in agricultural land exceeding 100 acres.





**Prohibits foreign entities from owning or controlling more than 500,000 acres of land.**

Exceptions: lands owned by a foreign entity prior to 1896 and lands passed from a foreign individual to a corporation owned by that individual.

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**Prohibits foreign ownership of agricultural land in excess of 160 acres.**

Exceptions: agricultural land acquired by inheritance or as a debt payment and land to be used for non-agricultural purposes. Statute does not apply to entities whose rights to hold land are secured by treaty.



**Prohibits foreign entities and entities over 20 percent owned by foreigners from owning interest in more than 640 acres of land.**

Exceptions: agricultural land acquired by inheritance or as a debt payment. Statute does not apply to entities whose rights to hold land are secured by treaty; railroad or pipeline corporations; mining and oil and gas leases; and manufacturing and mercantile activities.

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## Table of States with Corporate Farming Laws

State	US Corporate Farming Laws	Foreign Corporation Restrictions
Iowa	Iowa Code § 9H	Iowa Code § 9I
Kansas	Kan. Stat. Ann. § 17-5904	N/A
Minnesota	Minn. Stat. § 500.24	Minn. Stat. § 500.221(2)
Missouri	Mo. Rev. Stat. §§ 350.010 through 350.040	Mo. Rev. Stat. § 442.571(1)
Nebraska	Neb. Const. Art. XII, § 8 (UNCONSTITUTIONAL)	Neb. Rev. Stat. § 76-402
North Dakota	N.D. Cent. Code §§ 10-06.1-01 through 10-06.1-27	N.D. Cent. Code § 47-10.1-02(4)
Oklahoma	18 Okla. Stat. Ann. § 951 & Okla. Const. Art. XXII § 2	Okla. Const. Art. 22, § 1 & 18 Okla. St. Ann. § 951
Pennsylvania	N/A	68 Pa. Cons. Stat. § 41
South Carolina	N/A	S.C. Code Ann. § 27-13-30
South Dakota	S.D. Codified Laws §§ 47-9A-1 through 47-9A-23 & S.D. Const. Art. 17 §§ 21-24 (UNCONSTITUTIONAL)	S.D. Codified Laws § 43-2A-2
Wisconsin	Wis. Stat. § 182.001	Wis. Stat. § 710.02