



NEWSLETTER



January 2013

Washtenaw-Wayne County FSA Office

7203 Jackson Road
Ann Arbor, MI
48103-9506

Phone:

734-761-8789 ext. 2

Fax:

734-662-1686

Michigan Website:

www.fsa.usda.gov/MI/

Hours

Monday - Friday
8:00 a.m. - 4:30 p.m.

County Office Staff

County Executive

Director:

Linda Rector

Program Technicians:

Lori Maulbetsch

Lori Terreault

Farm Loan Staff

Phone:

517-263-7400 ext 2

Farm Loan Manager:

Michael Jordan

Farm Loan Officer:

Rebecca Deline

Dates to Remember

Federal Holiday – Offices Closed

Jan. 21: Martin
Luther King Jr.

County Committee Election Results

Congratulations to Howard Sias! Howard was elected to represent farmers from Webster, Northfield, Salem, Lima, Scio, Ann Arbor, and Superior Townships on the County Committee. Howard was elected to his first consecutive term. The election results for Local Administrative Area 3 are: Howard Sias — Elected to the County Committee (COC),

FSA appreciates all of the voters for taking the time to complete the election ballot.

The county committee system works only because of your participation.

The committee members will hold their organizational meeting in January to determine who will serve as the county committee chairman and vice-chairman.

Appeal Process

After an FSA official makes a decision on a request for USDA services or application, the producer will be sent a letter informing him/her of the decision and options that can be pursued.

Generally, program participants have three choices — an informal review with the original agency decision-maker, an opportunity for mediation and finally an appeal to the next level of authority within the agency.

Bank Account Changes

All FSA payments should be electronically transferred into your bank account. In order to make timely payments, you need

to notify the office if you close your account or if your bank is purchased by another financial institution. Payments can be delayed if we are not aware of changes to account and routing numbers.

Crop Reporting

Implementation of the new acreage reporting dates began July 1, 2012.

For the year July 1, 2012, through June 30, 2013, late-filed fees will **not** be assessed for crops with final reporting dates that fall within that timeframe.

Deadline to report your Perennial Forage, Fall Wheat, and all other Fall-Seeded Small Grains was November 15, 2012. If you have these crops and have not yet reported them to FSA you can still do so without being charged a late filing fee as long as you do so no later than June 30, 2013.

Apples, Blueberries, Cherries, Grapes, Peaches – January 15, 2013

Special Accommodations

Special accommodations will be made upon request for individuals with disabilities, vision impairment or hearing impairment. If accommodations are required, individuals should contact the county FSA office staff directly or by phone.

Wool and Unshorn Lamb Pelts

2013 - The American Taxpayer Relief Act of 2012, signed by the President on January 2, 2013, extended Marketing Assistance Loan's and Loan Deficiency Payment's for wool for the 2013 crop year. Unshorn Lamb Pelts are only eligible for Loan Deficiency Payment's.

County FSA Office's are now accepting applications for crop year 2013. Applications for LDP's must be filed prior to loss of beneficial interest in the wool or unshorn lamb.

Power of Attorney

For those who find it difficult to visit the county office because of work schedules, distance, health, etc...., FSA has a power of attorney form available that allows producers to designate another person to conduct your business at the office. If interested, contact our office or any Farm Service Agency office for more information.

FSA Signature Policy

Using the correct signature when doing business with FSA can save time and prevent a delay in program benefits. The following are FSA signature guidelines:

- Spouses may sign documents on behalf of each other for FSA and CCC programs in which either has an interest, unless written notification denying a spouse this authority has been provided to the county office
 - Spouses shall not sign on behalf of each other as an authorized signatory for partnerships, joint ventures, corporations, or other similar entities
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Controlled Substance

Any person convicted under federal or state law of a controlled substance violation could be ineligible for USDA payments or benefits. Violations include planting, harvesting or growing a prohibited plant. Prohibited plants include marijuana, opium, poppies and other drug producing plants.

2011 Supplemental Revenue Assistance Program Applications

The Farm Service Agency (FSA) will continue to accept SURE applications for 2011 crop losses through June 7, 2013. Under the 2008 Farm Bill, SURE authorizes assistance to farmers and ranchers who suffered crop losses caused by natural disasters occurring through Sept. 30, 2011.

During 2011, several Michigan counties received a Secretarial Disaster Designation, whether primary or contiguous, and producers are eligible to apply for SURE benefits if they experienced at least a 10 percent production loss that affects one crop of economic significance.

The SURE Program provides payments to producers when crop revenues are less than the crop guarantee. To determine the guarantee and revenue for the SURE Program, all crops on all farms for a producer are included in the calculation. Payments under the SURE Program are limited to \$100,000.

To meet program eligibility requirements, producers must have obtained a policy or plan of insurance through the Federal Crop Insurance Corporation or obtained Noninsured Crop Disaster Assistance Program (NAP) coverage for all economically significant crops. Eligible farmers and ranchers who meet the definition of a socially disadvantaged, limited resource or beginning farmer or rancher do not have to meet this requirement. Forage crops intended for grazing are not eligible for SURE benefits.

For more information on SURE program eligibility requirements contact the Washtenaw/Wayne County FSA office at (734) 761-8789 ext. 2 or visit the website at <http://www.fsa.usda.gov/sure>

Foreign Buyers Notification

The Agricultural Foreign Investment Disclosure Act (AFIDA) requires all foreign owners of U.S. agricultural land to report their holdings to the Secretary of Agriculture. FSA administers this program for USDA.

All individuals who are not U.S. citizens, and have purchased or sold agricultural land in the county are required to report the transaction to FSA within 90 days of the closing. Failure to submit the AFIDA form (FSA-153) could result in civil penalties of up to 25 percent of the fair market value of the property. County government offices, realtors, attorneys and others involved in real estate transactions are reminded to notify foreign investors of these reporting requirements.

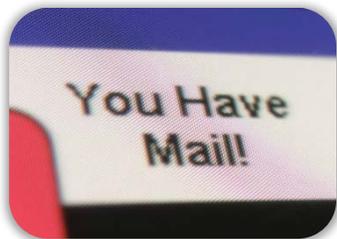
Electronic Services Available

If a producer has Internet access, program participants can access many services from home 24 hours a day, seven days a week, and receive approval and payment by direct deposit within 48 hours.

To participate in these services, you must meet all program eligibility requirements. Online services have stringent security measures to protect your private information.

To utilize electronic services a producer needs an active USDA eAuthentication Level 2 account, which requires an e-mail address and filling out an online registration form at www.eauth.egov.usda.gov/ followed by a visit to the county office for identity verification.

If you would like assistance establishing your account, just contact your local USDA Service Center.



IRS 1099 Changes

In past years, IRS Form 1099-G was issued to show all program payments received from the Farm Service Agency, regardless of the amount. For calendar year 2012, the 1099-G reporting will change.

IRS Form 1099-G (Report of Payments to Producers) will only be issued to producers whose reportable payments total \$600 or more for the calendar year. Additionally, if the producer has at least \$600 in reportable payments received from multiple FSA offices, only one Form 1099-G will be issued.

Producers subject to voluntary withholding or backup

(involuntary) withholding will receive the appropriate IRS form, even if combined payments are less than \$600.

The same changes will apply to producers and vendors who normally receive IRS Form 1099-MISC from FSA.

Any producer who receives less than \$600 in combined payments should consult a tax advisor to determine if these payments must be reported on their tax return.

For more information regarding IRS reporting changes, please contact the Washtenaw/Wayne County FSA office at Phone (734) 761-8789 ext. 2.

FSA Conservation Loans Available

FSA Guaranteed Conservation Loan funds are now available. Conservation loans allow farmers and ranchers to implement conservation practices on their land that will help protect natural resources. Guaranteed Conservation Loans are a useful alternative to help operators implement any Natural Resources Conservation Service (NRCS) approved conservation practice including, but not limited to, waste management systems, conservation structures or water conservation measures.

Unlike other FSA guaranteed loan programs, Conservation Loans are not limited to family size farms.

The Guaranteed Conservation Loan limit is \$1,302,000 and interest rates and terms will vary. The maximum guarantee FSA can issue is 75 percent.

A streamlined application process is available for applicants with a strong financial position.

Interested applicants who do not already have a conservation plan approved by NRCS should work with their local NRCS staff to develop a conservation plan. As with other guarantees, lenders can reduce risk, increase liquidity and offer lower rates by selling the guaranteed portion in the secondary market.

For questions regarding Guaranteed Conservation Loans, please contact your lender or your local FSA Office.

Farm Safety

Flowing grain in a storage bin or gravity-flow wagon is like quicksand — it can kill quickly. It takes less than five seconds for a person caught in flowing grain to be trapped. The mechanical aspect of grain handling equipment also presents a real danger. Augers, power take offs, and other moving parts can grab people or clothing. These hazards, along with pinch points and missing shields, are dangerous enough for adults; not to mention children. It is always advisable to keep children a safe distance from operating farm equipment. Always use extra caution when backing or maneuvering farm machinery. Ensure everyone is visibly clear and accounted for before machinery is engaged.

FSA wants all farmers to have a productive crop year and that begins with putting safety first.

Farm Record Changes

Producers who have bought or sold land, or added or dropped rented land from their operation must report those changes to the FSA office as soon as possible. A copy of the deed or recorded land contract for purchase property is needed to maintain accurate records with FSA. For rented land added to your operation for the first time, you will need a current lease/owner's permission to add you to the farm records. Failure to maintain accurate records with FSA on all land you have an interest in can lead to possible program ineligibility and penalties. Making record changes now will save time in the spring.



Reconstitutions

For FSA program purposes, tracts having the same owner and the same operator are grouped under one farm serial number. When changes in ownership or operation take place, a farm reconstitution is necessary. The reconstitution—or recon—is the process of combining or dividing farms or tracts of land based on the farming operation. The following are the different methods used when doing a farm recon:

Estate Method

The division of bases, allotments and quotas for a parent farm among heirs in settling an estate;

Designation of Landowner Method

May be used when (1) part of a farm is sold or ownership is transferred; (2) an entire farm is sold to two or more persons; (3) farm ownership is transferred to two or more persons; (4) part of a tract is sold or ownership is transferred; (5) a tract is sold to two or more persons; or (6) tract ownership is transferred to two or more persons. In order to use this method the land sold must have been owned for at least three years, or a waiver granted, and the buyer and seller must sign a Memorandum of Understanding;

DCP Cropland Method

The division of bases in the same proportion that the DCP cropland for each resulting tract relates to the DCP cropland on the parent tract;

Default Method

The division of bases for a parent farm with each tract maintaining the bases attributed to the tract level when the reconstitution is initiated in the system.
