



**Linn County
FSA Office**

121 Pershing Rd
Brookfield, Mo. 64628

660-258-7265 phone
660-258-3257 fax

Hours
Monday - Friday
7:30 a.m. - 4:30 p.m.

February 2012

County Office Staff
Greg Smith,
County Executive
Director

Jared Weydert,
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Susan McLain
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Program Technicians

Visit our Website at:
www.fsa.usda.gov/mo

2012 DCP/ACRE SIGN-UP

2012 Direct and Counter-Cyclical Program (DCP) enrollment started Jan. 23, 2012, and will end June 1, 2012. Here are some IMPORTANT REMINDERS:

- All producers with an interest in **DCP base** acres must be included on the DCP/ACRE contract and receive a proportionate share of DCP/ACRE payment for the farm.
- All producers receiving a share greater than zero on the DCP/ACRE contract must sign the contract no later than June 1, 2012.
- Changes on the farm after enrolling June 1st in DCP/ACRE must be reported to your local FSA office such as:
 - Ownership changes

- Producer changes (Individuals and Entities)
- Change in crop shares arrangements

Note: Changes cannot be made after Sept. 30, 2012.

SUPPLEMENTAL REVENUE ASSISTANCE PROGRAM (SURE)

The sign-up for 2010 losses runs through **June 1, 2012**. The Supplemental Revenue Assistance Program (SURE) provides benefits for farm revenue losses due to natural disasters that occurred during the 2010 crop year. SURE is available to eligible producers on:

- Farms in counties with Secretarial disaster declarations, including contiguous counties, that have incurred crop production or quality losses, or both, and includes all crops grown by a producer nationwide, except grazed crops.
- Any farm in which, for the crop year, the actual production on the farm because of disaster-related conditions is 50 percent or less than normal production of the farm.

FSA ADOPTING ELECTRONIC NOTIFICATION

The USDA Farm Service Agency offices are moving toward a paperless operation. Producers are asked to contact their local office about options

for electronic delivery of notices, newsletters and reminders, instead of a hard copy through the mail. FSA, like many other organizations, is trying to work smarter and be more efficient. Moving to electronic notifications via email and text messages will help conserve resources and save taxpayer dollars. County committee ballots will continue to be mailed to all eligible producers.

UPCOMING RETIREMENT

Greg Smith is retiring on Feb. 24, 2012. There will be cake and punch at the office on that day from 1:00 pm until 3:00 pm. You are invited to attend.

CRP GENERAL SIGNUP 43 BEGINS MARCH 12

On February 1, 2012, USDA announced that the next general CRP signup will be held from March 12, 2012, through April 6, 2012. Land that is not currently enrolled in CRP may be offered for enrollment during CRP signup 43. In addition, CRP participants with contracts expiring on September 30, 2012, may submit offers. Accepted contracts for CRP signup 43 will begin on October 1, 2012. The number of acres accepted under signup 43 will be determined after signup 43

concludes based on the environmental benefits and the cost of the acres offered. The CRP offer process for signup 43 is expected to be highly competitive. The national environmental benefits index (EBI) cutoff score will be determined after signup concludes. Bring a copy of your recorded for the property you are wanting to enroll, even if it is currently in the program. You will also need to know species of grasses/legumes and the percent of each.



ACTIVELY ENGAGED USDA has amended the rules that govern the requirements to be 'actively engaged' in farming. These rules apply to eligibility for payments under the Direct and Counter-cyclical Program (DCP) or Average Crop Revenue Election (ACRE) program administered by FSA. Normally the stockholder or a member of a legal entity **must** make contributions of active personal labor and/or active personal management for the farming operation. The contributions are to be performed on regular basis, must be identifiable, and separate from the contributions of others. The exception to this rule for a stockholder or member of a legal entity only occurs when both of the following apply:

- At least half of the interest in the legal entity is held by stockholders or members who are providing active personal labor or active personal management; and
- The total direct payments received by the legal entity and each of the members can't exceed \$40,000.

1099-G Producers who have received payments from FSA should have received a CCC-1099-G. A CCC-1099-G is a report to the Internal Revenue Service about FSA payments made to producers during the previous calendar year. The CCC-1099-G is a service to help participating producers report taxable income. It is not intended to replace the program participant's responsibility to report income to the IRS. When the CCC-1099-G is received, it should be checked with your records to see that the amounts are correct. Refunds will no

longer be reported on the 1099-G, but will be available online from the FSA Financial Inquiries (FSA-FI) web-based database. Program participants with an eAuthentication user ID and password may access their refund information at FSA-FI and select "Inquiry Type 1099/Refund Reports". Refund amounts are displayed on the Producer's Year-to-Date Activity web page. If you have a question concerning the 1099-G refund information, you may contact your local FSA office for assistance locating the correct payment data.

COMMODITY LOANS

Commodity loans, also referred to as Marketing Assistance Loans, are available to producers who share in the risk of producing the crop. To be eligible, you must maintain beneficial interest in the crop through the time of application. Once beneficial interest in a commodity is lost, the commodity is ineligible for loan — even if you regain beneficial interest. Violating provisions of a marketing assistance loan may trigger administrative actions, such as assessing liquidated damages, calling the loan and denial of future farm-stored loans. The most common violations are removing or disposing of a commodity being used as loan collateral without prior authorization and providing an incorrect quantity certification.

MAINTAINING THE QUALITY OF LOANED GRAIN Bins are ideally designed to hold a level volume of grain. When bins are overfilled and grain is heaped up, airflow is hindered and the chance of spoilage increases. Producers who take out marketing assistance loans and use the farm-stored grain as collateral should remember that they are responsible for maintaining the quality of the grain through the term of the loan.

FARM LOAN PROGRAMS The Farm Service Agency is committed to providing family farmers with loans to meet their farm credit needs. If you are having trouble getting the credit you need for your farm, or regularly borrow from FSA, direct and guaranteed loans are currently available. Ask your lender about an FSA loan guarantee if you've had a setback and your lender is reluctant to extend or renew your loan. Farm ownership loans or farm operating loans may be obtained as direct loans for a maximum of up to \$300,000. Guaranteed loans have a maximum limit of

\$1,214,000. This makes the maximum combination of direct and guaranteed loan indebtedness \$1,514,000. The one-time loan origination fee charged on FSA guaranteed farm ownership and operating loans is 1.5 percent of the guaranteed portion of the loan. To find out more about FSA loan programs, contact the county office staff.

SPOUSAL SIGNATURES Husbands and wives may sign documents on behalf of each other for FSA and Commodity Credit Corporation programs in which either has an interest. This option is automatically available unless a written request for exclusion is made to the county office staff by either spouse. There are exceptions to the rule, where spouses may not sign on behalf of each other for partnerships, joint ventures, corporations or other similar entities. *NOTE: As of September 30, 2011, spouses will not be able to sign on behalf of each other on a CCC-931, Average Adjusted Gross Income (AGI) Certification and Consent to Disclosure of Tax Information.* Individual signatures are also required on certain Farm Loan Program and Farm Storage Facility Loan documents. For more clarification on spousal signature authority, contact your local FSA office.

NONINSURED CROP DISASTER ASSISTANCE PROGRAM (NAP) The noninsured crop disaster assistance program (NAP) is a federally funded program that helps producers reduce their risk when growing food and fiber crops, specialty crops and crops for livestock feed. These benefits are only available for crops for which the catastrophic level of crop insurance is not available. Application for coverage must be filed by the applicable crop's application closing date. Production records for all crops must be reported to FSA no later than the acreage reporting date for the crop for the following year. FSA requires that any production reported in a loss year be verifiable according to Agency specifications. *NAP Losses must be reported within 15 days of the date the loss became apparent.* Many crops have a NAP application closing date of March 15, 2012. Contact your local FSA office for details.

FARM STORAGE FACILITY LOAN PROGRAM The Farm Storage Facility Loan (FSFL) program allows producers of eligible commodities to obtain low-interest financing to build or upgrade farm storage and handling facilities. The maximum principal amount of a loan through FSFL is \$500,000. Participants are required to provide a minimum down payment of 15 percent, with CCC providing a loan for the remaining 85 percent of the net cost of the eligible storage facility and permanent drying and handling equipment. If a participant provides 20% or greater down payment, then the requirement for a severance agreement for loans under \$50,000 will be waived. Loan terms of 7, 10 or 12 years are available depending on the amount of the loan. Interest rates for each term rate may be different and are based on the rate which CCC borrows from the Treasury Department. Payments are available in the form of a partial disbursement and the remaining final disbursement. The partial disbursement will be available after a portion of the construction has been completed. The final fund disbursement will be made when all construction is completed. The maximum amount of the partial disbursement will be 50 percent of the projected and approved total loan amount not to exceed \$250,000. Applications for FSFL must be submitted to the FSA county office that maintains the farm's records. An FSFL must be approved before any site preparation or construction can begin. The following commodities are eligible for farm storage facility loans:

- Corn, grain sorghum, rice, soybeans, oats, peanuts, wheat, barley or minor oilseeds harvested as whole grain
- Corn, grain sorghum, wheat, oats or barley harvested as other-than-whole grain
- Pulse crops - lentils, small chickpeas and dry peas
- Hay
- Honey
- Renewable biomass
- Fruits (including nuts) and vegetables - cold storage facilities

For more information about FSFL, please visit your FSA county office or www.fsa.usda.gov.

Tips for Faster Service In order to receive information and payments quickly, it is important for producers to

keep their information up-to-date. Below are a few tips that could save you time in the future.

1. Provide your local FSA office with your current contact information, including mailing address, email, and phone number, as it changes.
2. Turn in all required forms and documentation in order to remain eligible for program benefits.
3. Report deceased producers, who earn FSA payments directly or indirectly, in order to receive a proper and timely payment to the estate.

Dates to Remember	
February 20	Washington's Birthday (observed) Holiday – FSA offices closed
March 12	CRP General Signup 43 Begins
March 15	NAP Closing Date for Spring-seeded Crops
Continues	Continuous Conservation Reserve Program

Selected Interest Rates for February 2012	
90-Day Treasury Bill	0.125%
Farm Operating Loans — Direct	1.375%
Farm Ownership Loans — Direct	3.375%
Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher	1.50%
Emergency Loans	3.75%
Farm Storage Facility Loans 7-yr.	1.375%
Farm Storage Facility Loans 10-yr.	2.00%
Farm Storage Facility Loans 12-yr.	2.250%
Commodity Loans 1996-Present	1.125%

USDA is an equal opportunity provider, employer and lender. To file a complaint of discrimination, write to USDA, Assistant Secretary for Civil Rights, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, S.W., Stop 9410, Washington, DC 20250-9410, or call toll-free at (866) 632-9992 (English) or (800) 877-8339 (TDD) or (866) 377-8642 (English Federal-relay) or (800) 845-6136 (Spanish Federal-relay). USDA is an equal opportunity provider, employer and lender.