



# Van Buren/Kalamazoo Farm Service Agency NEWSLETTER

April 2010

Issue No. 1

**Van Buren FSA**  
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**Staff**  
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**Staff**  
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James L. Vogt, CED

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

FSA Website  
<http://www.fsa.usda.gov>



## **ADJUSTED GROSS INCOME VERIFICATION PROCESS**

This provides an overview of the average adjusted gross income (AGI) certification and compliance review process. A key component is the data-sharing process with the Internal Revenue Service (IRS). IRS tax information will be used to identify program participants that may not have complied with statutory AGI requirements, or whether further review is required to make an accurate determination.

- Beginning in January 2010, the Farm Service Agency (FSA) and the Natural Resources Conservation Service (NRCS) will provide producers with consent forms to voluntarily complete and submit to IRS which authorize IRS to disclose information to USDA for 2009 and 2010 AGI compliance purposes. Two consent forms, one for individuals (CCC-927) and one for legal entities (CCC-928) will be used. Producers may obtain the consent forms at their local USDA Service Center or online. USDA Service Centers will not accept or retain the completed consent forms.
- Producers will mail consent forms directly to IRS; USDA Service Center employees will not accept any tax information, completed forms or other tax-related paperwork from producers for this process. The deadline for producers to submit the consent forms to IRS is June 15, 2010. As required by law, producers must sign the applicable consent form to grant IRS the authority to provide tax information data to USDA.
- After June 15, 2010, a reconciliation process will be initiated to identify producers that did not file a consent form with IRS. Producers identified through this process will receive written notice of the requirement to submit a consent form to IRS to avoid interruption of program payments.

- IRS will check each participant's AGI compliance by performing computerized calculations that indicate whether or not a producer exceeds average AGI limitations. Average AGI calculations for 2009 are computed based on the 2005, 2006, and 2007 tax years, and the average AGI calculations for 2010 are computed based on the 2006, 2007, and 2008 tax years.
- Producers whose average AGI appears to be in excess of the statutory AGI limitations will be notified in writing of the results, and provided the opportunity to make available within 30 days to the applicable FSA State Office, a third party verification from a certified public accountant or attorney of their AGI that demonstrates AGI limits have not been exceeded.
- Producers determined not in compliance with AGI limitation will be offered appeal rights to either the FSA State Committee or the National Appeals Division.
- Producers who fail to respond to written notices of AGI non-compliance or determined non-compliant will be notified of the requirement to refund the applicable payments. Actions required by the Debt Collection Improvement Act (DCIA) will be followed by NRCS and FSA.

***ANYONE WHO RECEIVED A PAYMENT  
IN 2009 OR WILL RECEIVE A PAYMENT  
IN 2010 MUST SUBMIT "CONSENT TO  
DISCLOSURE OF TAX INFORMATION" TO  
IRS BY JUNE 15, 2010. THESE FORMS ARE  
AVAILABLE FOR PICKUP IN THE OFFICE  
OR ONLINE. WE CAN NOT MAIL THESE  
FORMS TO YOU, SO IT IS YOUR  
RESPONSIBILITY TO ENSURE THE FORMS  
ARE SUBMITTED ON TIME.***

<http://forms.sc.egov.usda.gov/eforms/mainservlet>

## **2010 DCP AND ACRE SIGNUP UNDERWAY**

Signup for the 2010 Direct and Counter-Cyclical Payment (DCP) and the 2010 Average Crop Revenue Election (ACRE) programs has begun. *The deadline for 2010 DCP/ACRE enrollment is June 1, 2010.* If you have not received an appointment postcard, or have not yet scheduled an appointment, please contact your local County Office to schedule one soon.

## **SUPPLEMENTAL REVENUE ASSISTANCE PROGRAM (SURE) SIGNUP CONTINUES**

Signup for the SURE program has begun with no deadline announced. The SURE program covers the 2008 crop year for disaster. If you had Federal Crop Insurance or NAP coverage on all crops in all counties that contribute at least 5 percent of the expected revenue for your farming operation, then you may be entitled to a SURE payment. The following are the conditions that trigger SURE payments:

- at least one crop of economic significance must suffer a 10% production loss due to an eligible disaster condition
- crop of economic significance is a crop that has contributed or would have contributed at least 5% or more of the total expected revenue from all crops on the farm
- producers in counties declared disaster counties by the Secretary of Agriculture, or in contiguous counties, or those who show proof of an individual loss of at least 50% are eligible to receive SURE payments for crop producer or crop quality losses. Losses are measured with consideration to the whole-farm revenue, which includes crop insurance indemnities and commodity program payments, so that producers are not paid more than once for the same loss.

A SURE calculator is available at: [http://www.fsa.usda.gov/Internet/FSA\\_File/sure\\_calculator\\_2008.xls](http://www.fsa.usda.gov/Internet/FSA_File/sure_calculator_2008.xls). The calculator is not official, but is intended for educational use. A fact sheet and backgrounder are also available online. Please contact your local County Office with any questions regarding the SURE program.



## **CONSERVATION RESERVE PROGRAM (CRP)**

Signup for CRP SAFE and Continuous CRP is ongoing. If you have an interest in a conservation program, please contact your local County Office.

## **PRODUCER RESPONSIBILITIES FOR NAP RECORDS OF PRODUCTION**

Producers are responsible for providing accurate and complete information. It is the producer's responsibility to report the total amount of unit production. It is not CCC's responsibility to determine the producer's amount of production.

The producer's responsibilities include, but are not limited to:

- providing, when required, the best verifiable or reliable production evidence available for the crop by practice, type, intended use, or planting period
- summarizing all the production evidence
- accounting for all the crop's production, whether or not records reflect this production
- providing the information in a manner that can be easily understood by COC
- reporting production by the date specified by CCC
- retaining production evidence for 3 crop years after the crop year it is initially certified.



All producers including producers of hand harvested crops are required to provide acceptable and verifiable production records for that production which is harvested. If selected for spot check, supporting evidence is required for acreage and production that was certified on the current crop year CCC-452.

During any year that CCC-576 is filed because of loss, producers of hand harvested crops are required to notify the County Office 15 calendar days after harvest is complete and before destruction of the crop so an appraisal of remaining production can be completed. The purpose of the appraisal is to document production left in the field because of quality or unmarketable because of the lack of market.

If the producer fails to provide acceptable production evidence where required by COC or as the result of a spot check, an assigned, zero credited, or T-yield will apply and shall be included in the APH database.

## **FOREIGN LANDOWNERS REPORTING REQUIREMENT**

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. The Farm Service Agency administers this program for USDA. Foreign persons who 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 could result in civil penalties of up to 25% 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.

## **THINKING OF CLEARING A FENCE ROW?**

Most USDA programs require compliance with sodbuster and swampbuster provisions. These provisions require producers to follow an approved conservation system on all highly erodible land planted to an annual crop (sodbuster), as determined by the Natural Resources Conservation Service (NRCS). Further, USDA participants are prohibited from converting wetlands for agricultural production purposes (swampbuster) and planting an agricultural commodity on converted wetlands, as determined by NRCS. Be sure to have determinations made on any new land you plan to plant to annual crops.

Swampbuster provisions state that converting a wetland to make possible the planting of a crop will result in the loss of all USDA benefits. To avoid this possibility it is strongly recommended that producers come into the FSA office ahead of time to file an AD 1026 for referral to NRCS.

**It is necessary for NRCS to review *any* actions which could result in the modification of an area determined wet.** This includes any clearing of trees or brush (including fence rows), draining, dredging, filling, or plans to install, maintain or improve tile.

## **COUNTY COMMITTEE ELECTION RESULTS**

Timothy Hood was re-elected to the Van Buren County Committee for 2010. Tim represents Lawrence, Paw Paw, Antwerp, Decatur, and Porter Townships. Tim's alternates are Elwin Shugars and Ray O'Donnell.

Timothy Vosburg was re-elected to the Kalamazoo County Committee for 2010. Tim represents Kalamazoo, Comstock, Charleston, Texas, Portage, Pavilion, and Climax Townships. Tim's alternate is Steve Kirklin.



Thanks to all who took the time to vote and a great big thank you to those who were willing to serve on the committee!



### **MEET VAN BUREN'S NEW EMPLOYEE!**

Terry Ailes has joined the Van Buren FSA staff as a permanent program technician. A lifelong Kalamazoo-area resident, Terry has worked for Eaton Corp., Texas Instruments and has also been a schoolteacher. Terry will be handling the DCP/ACRE program. Be sure to introduce yourself and welcome him next time you're in the office!

### **2009-CROP COMMODITY LOANS AVAILABLE**

Marketing assistance loans provide producers interim financing at harvest time to meet cash flow needs without having to sell their commodities when market prices are typically at harvest-time lows. Loans mature on the last day of the ninth calendar month following the month in which the loan is approved. The current interest rate is 1.375% and the loan rates are as follows:

<i>County</i>	<i>Hard Red Wheat</i>	<i>Soft Red Wheat</i>	<i>Soft White Wheat</i>	<i>Oats</i>	<i>Corn</i>	<i>Soybeans</i>	<i>Sunflower Seed</i>	<i>Canola</i>
Kalamazoo	N/A	\$1.91/bu	\$2.03/bu	\$1.32/bu	\$1.87/bu	\$4.93/bu	\$7.83/cwt	\$8.34/cwt
Van Buren	\$2.72/bu	\$1.91/bu	\$2.08/bu	\$1.32/bu	\$1.87/bu	\$4.94/bu	\$7.90/cwt	\$8.41/cwt

*Note: Loan rates will be reduced by 30% for commodities that are grown on farms enrolled in ACRE.*

## **FARM LOAN PROGRAMS**

FSA makes direct and guaranteed farm ownership (FO) and operating loans (OL) to family-size farmers and ranchers who cannot obtain commercial credit from a bank, Farm Credit System institution, or other lender. FSA loans can be used to purchase land, livestock, equipment, feed, seed, and supplies. Our loans can also be used to construct buildings or make farm improvements. Van Buren County producers should contact William Hogan at 269-657-7055 and Kalamazoo County producers should contact Phill DeYoung at 269-781-4263 for more information. **There has been a large increase in demand for FLP services, so please contact your Farm Loan Programs staff early if you need FSA credit for spring planting, etc.**



## **IRRIGATION SYSTEM EVALUATIONS AVAILABLE**

The Kalamazoo and Van Buren Conservation Districts will be offering Irrigation System Evaluations to agricultural producers this summer to ensure uniform irrigation, promote groundwater stewardship, and satisfy Irrigation GAAMPs (Generally Accepted Agricultural and Management Practices). The goal of these irrigation evaluations is to determine the uniformity of a system and assure that it applies the same amount of water to all areas of the field. This problem can damage both the crops and the soil, lower yields, increase costs and have a significant economic impact at harvest time. Kalamazoo producers should contact Kathy at 269-327-1258 x 4; Van Buren producers should contact Kyle at 269-657-4030 x 5.



UNITED STATES DEPARTMENT OF AGRICULTURE  
 VAN BUREN FARM SERVICE AGENCY  
 1035 EAST MICHIGAN AVENUE  
 PAW PAW, MICHIGAN 49079

PRESORTED STANDARD  
 U.S. POSTAGE PAID  
 LANSING, MI  
 PERMIT NO. 19

**IMPORTANT DATES TO REMEMBER**

May 12	Kalamazoo County Committee Meeting
May 18	Van Buren County Committee Meeting
May 31	Memorial Day Holiday – Offices Closed
June 1	Deadline to Request 2009-Crop Commodity Loans and LDPs for Corn and Soybeans
June 1	DCP/ACRE Enrollment Deadline
June 30	Deadline to Report Acreage for Fall-Seeded Small Grains
July 5	Independence Day Holiday – Offices Closed
July 15	Deadline to Report Acreage for All Other Crops
Ongoing	CRP-SAFE Program Enrollment
Ongoing	Continuous CRP Signup
Ongoing	Farm Storage Facility Loans

**eGOV CUSTOMER REGISTRATION PROCESS**

1. Access your website of interest:
  - USDA Customer Statement <http://customerstatement.usda.gov>
  - Electronic LDP Signup [http://www.fsa.usda.gov/egov/eldp\\_default.htm](http://www.fsa.usda.gov/egov/eldp_default.htm)
  - Electronic DCP Signup [http://www.fsa.usda.gov/egov/edcp\\_default.htm](http://www.fsa.usda.gov/egov/edcp_default.htm)
2. Create an online user profile and apply for Level 2 access
3. Respond to the verification email within 7 days of receipt.
4. Visit the County Office in person and provide photo identification to the Local Registration Authority in order to receive Level 2 Activation.
5. Access Level 2 applications within 1 hour after profile has been activated.

**SPECIAL ACCOMODATIONS**

Special accommodations will be made upon request for individuals with disabilities, vision impairment or hearing impairment. If accommodations are required, individuals should contact their local County Office in person or by phone.

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its program and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual’s income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information ( Braille, large print, audiotape, etc.) should contact USDA’s TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of Discrimination, write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, SW., Washington, DC 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.