

FACT SHEET

May 2010

Tree Assistance Program for Orchardists and Nursery Tree Growers (TAP)

Overview

USDA Farm Service Agency's (FSA) Tree Assistance Program (TAP) provides financial assistance to qualifying orchardists and nursery tree growers to replant or rehabilitate eligible trees, bushes and vines damaged by natural disasters occurring on or after Jan. 1, 2008, and before Oct. 1, 2011. TAP was authorized by the 2008 Farm Bill and is funded through the Agricultural Disaster Relief Trust Fund.

Eligible Tree Types

Eligible trees, bushes and vines are those from which an annual crop is produced for commercial purposes. Nursery trees include ornamental, fruit, nut and Christmas trees produced for commercial sale. Trees used for pulp or timber are ineligible.

Eligible Producers

To qualify for TAP, orchardists and nursery tree growers must:

- suffer qualifying tree, bush or vine losses in excess of 15 percent (adjusted for normal mortality) from an eligible natural disaster for the individual stand;
- have owned the eligible trees, bushes and vines when the natural disaster occurred; however, eligible growers are not required to own the land on which eligible trees, bushes and vines are planted;

• replace eligible trees, bushes and vines within 12 months from the date the application is approved.

Risk Management Purchase Requirement (RMPR)

Orchardists and nursery tree growers must have obtained a policy or plan of insurance for all crops through either the Federal Crop Insurance Act or FSA's Noninsured Crop Disaster Assistance Program (NAP). There are limited exceptions to this rule. Eligible producers who meet the definition of "Socially Disadvantaged," "Limited Resource," or "Beginning Farmer or Rancher" do not have to meet this requirement.

Adjusted Gross Income (AGI)

For the 2009 and subsequent program years, producers or legal entities whose average nonfarm AGI exceeds \$500,000 are not eligible. For the 2008 program year, producers are not eligible if their average AGI is \$2.5 million or greater, unless 75 percent or more of their AGI is from agriculture.

Payment Calculation

For tree, bush or vine replacement including replanting and the cost of seedlings, the payment calculation is the lesser of the following:

• 70 percent of the actual cost of the practice, or

• the amount calculated for each practice using the established rates.

For salvaging existing trees, bushes or vines—including the costs of pruning, removal, or other costs—the payment calculation is the lesser of the following:

- 50 percent of the actual cost of the practice, or
- the amount calculated for each practice using the established rates.

Payment Limitations

For 2009 through 2011 TAP payments, no person or legal entity may receive, directly or indirectly, more than \$100,000 per program year. TAP payments for 2008 are limited per "person" according to payment limitation rules in effect for 2008. The cumulative total quantity of acres planted to trees, bushes or vines for which a producer can receive TAP payments cannot exceed 500 acres during the period of Jan. 1, 2008 and Sept. 30, 2011.

Signup Period

Orchardists and nursery tree growers may apply to receive TAP benefits at local FSA county offices beginning May 10, 2010, for losses suffered during calendar years 2008 and 2009, and for losses suffered during Jan. 1, 2010, to May 7, 2010.

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The following table provides the final dates to submit a TAP application and supporting documentation:

| Final Date to Submit an Application |
|--|
| and Supporting Documentation |
| July 6, 2010 |
| July 6, 2010 |
| July 6, 2010 |
| Within 90 calendar days from the later of the disaster event or the date when the loss of trees, bushes or vines is apparent. |
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More information on TAP is available at local FSA county offices and on FSA's website: www.fsa.usda.gov/tap

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