



United States Dept. of Agriculture



Flagstaff, Arizona  
USDA Service Center

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**Fax Number**

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**Office Hours**

Monday – Friday  
8:00 a.m. - 4:30 p.m. (MST)

**County Committee**

Marilyn Savoini - Chair  
Anita M. Waite – Vice  
Diana Kessler - Member  
Joel J. Querta - Member  
Jonathan Haskie - Member

**County Executive Director**

Arnie Schlittenhart  
(928) 774-2401 Ext. 105

**County Office Staff**

Rose Gene, PT  
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**Website**

www.fsa.usda.gov



# Newsletter

March 2011

Flagstaff, Arizona - Farm Service Agency - Servicing Coconino, Mohave and Yavapai Counties

## PAYMENT LIMITS and DIRECT ATTRIBUTION



For commodity and disaster programs under the new farm bill, the AGI limitation was reduced from \$2.5 million from all sources to a three-year average non-farm AGI of \$500,000 such that a person or entity shall not be eligible for such programs if the non-farm AGI exceeds \$500,000. Also, under the new regulations, an individual or entity must have a 3-year average AGI less than or equal to \$750,000 per year from farm income in order to qualify for direct payments issued under the Direct and Counter-cyclical Program.

For conservation programs, the average nonfarm AGI limitation is \$1 million or less for eligibility. However, an individual or entity who has non-farm AGI in excess of \$1 million remains eligible for conservation programs only if 66.66 percent or more of the total AGI is derived from farming, ranching and forestry operations. In addition, the AGI limitation for conservation programs may be waived on a case-by-case basis if it is determined that environmentally sensitive land of special significance would be protected.

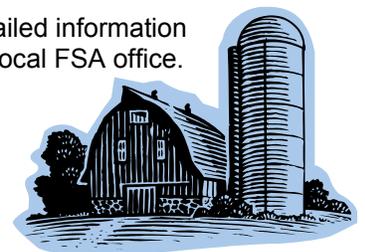
Program payments are limited by direct attribution to individuals or entities. A legal entity is defined as an entity created under Federal or State law that owns land or an agricultural commodity, product or live-stock. Through direct attribution, payment limitation is based on the total payments received by the individual, both directly and indirectly. Qualifying



spouses are eligible to be considered separate persons for payment limitation purposes, rather than being automatically combined under one limitation.

Individuals and entities must be "actively engaged in farming" with respect to a farming operation in order to be eligible for specified payments and benefits. To be "actively engaged in farming," the individual or entity must make significant contributions to the farming operation of: (1) capital, equipment, land, or a combination; and (2) personal labor or active personal management, or a combination.

For more detailed information contact your local FSA office.



Program Payment Type	Payment Limitation
<b>COMMODITY PROGRAMS</b>	
Counter-Cyclical	65,000
Direct Payments	40,000
<b>CONSERVATION PROGRAMS</b>	
EQIP (All contracts for FY 09-12)	300,000
GRP	50,000
WHIP	50,000
WRP	50,000
<b>DISASTER ASSISTANCE PROGRAMS</b>	
ELAP, LFP, LIP, SURE	100,000
NAP	100,000
TAP	100,000
LDP, MAL, MLG	No Limits

# 2011 Wool & Mohair LDP Program



The Wool and Mohair LDP program is designed to support the wool and mohair industry by supplementing the price producers receive for their product when market prices fall below a minimum ("Loan") level.

The CCC-633 EZ, Loan Deficiency Payment Agreement and Request form, is now available for producers to request 2011 Wool/Mohair LDP benefits.

## **DO NOT WAIT UNTIL YOU ARE READY TO SELL TO SIGN THE CCC-633EZ Pg. 1**

The CCC-633 EZ for wool and mohair requires 2 page forms:

- **Page 1** includes terms and conditions, and serves as your intention to request and receive LDP benefits and **must be filed BEFORE YOU SELL you wool or mohair.** *Page 1 was recently mailed to all wool and mohair producers that applied for benefits in prior years.*
- **Page 4** is the request for payment sheet which must be filed, along with the sales receipt, after you sell your wool or mohair. *Producers can request LDP payment any time up until January 31, 2012.*

Payment rates depend on the date the producer sells or relinquishes beneficial interest in their wool/mohair. LDP rates can be viewed at [www.fsa.usda.gov](http://www.fsa.usda.gov).

In addition, under the new 2008 Farm Bill, you are **required** to sign new eligibility forms before any payments can be issued. Please contact or come in to our office for the details on these forms.

FSA representative will be at local chapter houses to sign up for 2011 Wool/Mohair LDP program. See calendar on page 4 of this newsletter.

## AGI Verification Consent Forms

EACH INDIVIDUAL AND ENTITY who received 2009 payments or who request 2010 payments must complete and mail to the Internal Revenue Service (IRS) a "Consent to Disclosure of Tax Information" form. This form will allow IRS to share adjusted gross income (AGI) information with the USDA in order to verify AGI certifications. The purpose is to ensure that payments are not issued to producers whose AGI exceeds regulatory limits. **Individuals must file using form CCC-927 and entities using form CCC-928.** These forms are available online at <http://forms.sc.egov.usda.gov> or may be obtained from any FSA office. While FSA can assist you with understanding the form, *FSA is NOT authorized to accept completed consent forms and FSA is NOT authorized to submit these forms to IRS on your behalf.* **Failure to provide this consent form to IRS could result in a producer being ineligible for future FSA payments and could require refund of payments already received.** Contact your local FSA office in order to obtain these forms and for completion instructions.

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## **NOTICE to Hispanic or Woman Farmer & Ranchers**

If you believe that the United States Department of Agriculture (USDA) improperly denied farm loan benefits to you between 1981 and 2000 because you are Hispanic, or because you are female, you may be eligible to apply for compensation. You may be eligible if:

1. you sought a farm loan or farm-loan servicing from USDA during that period; and
2. the loan was denied, provided late, approved for a lesser amount than requested, approved with restrictive conditions, or USDA failed to provide an appropriate loan service; and
3. you believe these actions occurred because you are Hispanic or female.

If you want to register your name to receive a claims package, you can call the Farmer and Rancher Call Center at 1-888-508-4429 or access the following website: [www.farmerclaims.gov](http://www.farmerclaims.gov)

In 2011, a Claims Administrator will begin mailing claims packages to those who have requested one through the Call Center or website. The claims package will have detailed information about the eligibility and claims process.

In order to participate, you must submit a claim to the Claims Administrator by the end of the claims period.

If you are currently represented by counsel regarding allegations of discrimination against USDA or in a lawsuit claiming discrimination by USDA, you should contact your counsel regarding this claims process.

USDA Cannot Provide Legal Advice to You.

You are not required to hire an attorney to file a claim, but you may contact a lawyer or other legal services provider in your community for additional guidance.



## CCC-1099 G

Producers who have received payments from FSA should have also received a CCC-1099-G in January 2011 from the Kansas City office. 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.

If you received a CCC-1099-G, we recommend you check the amounts shown with those in 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 eAuthentication user ID's and passwords can 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 nearest FSA office for assistance in locating the correct payment data. If you choose to visit the office, bring your CCC-1099-G with you.



BCAP provides for matching payments to eligible material owners at a rate of \$1 for each \$1 per dry ton paid by a qualified biomass conversion facility, in an amount up to \$45 per dry ton. Biomass conversion facilities convert renewable biomass into heat, power, biobased products or advanced biofuels. An eligible material owner may be a producer of an eligible crop or a person or entity with the legal right to collect or harvest eligible material. Matching payments may be made to eligible material owners for a maximum of two years, which is a statutory requirement.

Eligible land - Eligible land for BCAP project areas includes agricultural and non-industrial private forestland.

Eligible land does not include:

- Federal or state-owned land;
- Land that is native sod; or
- Land enrolled in the:
  - Conservation Reserve Program;
  - Wetlands Reserve Program; or
  - Grassland Reserve Program.

For more information on the BCAP program please contact your local FSA office or visit FSA's BCAP website at <http://www.fsa.usda.gov/bcap>.



## Emergency Forest Restoration Program

USDA – FSA's Emergency Forest Restoration Program (EFRP) provides payments to eligible owners of nonindustrial private forest (NIPF) land in order to carry out emergency measures necessary to restore land damaged by a natural disaster.

County FSA committees determine land eligibility using on-site damage inspections that assess the type and extent of damage. To be eligible for EFRP, NIPF land must:

- Have existing tree cover (or had tree cover immediately before the natural disaster occurred and is suitable for growing trees); and
- Be owned by any nonindustrial private individual, group, association, corporation, or other private legal entity, that has definitive decision-making authority over the land.

In addition, the natural disaster must have resulted in damage that if untreated would:

- Impair or endanger the natural resources on the land; and,
- Materially affect future use of the land.

For more information on the EFRP program please contact your local FSA office or visit FSA's EFRP website at <http://www.fsa.usda.gov/>.

## BANKING CHANGES?

FSA requires that program payments be issued by direct deposit unless a hardship form has been filed. Any producer who has direct deposit but has made changes to their banking information such as a new account number, routing number or account type, must notify their FSA office immediately and provide the updated information. Without this updated banking information, payments could be delayed.



## Change in Farming Operations?

Update signature authorization when changes in the operation occur. Producers are reminded to contact the office of a change in operations on a farm so records can be kept current and accurate or visiting any FSA office.

**United States Department of Agriculture**

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**RETURN SERVICE REQUESTED**

### Outreach Schedule for March/April 2011

Gap Chapter House	Date	Time
Gap Chapter	April 6, 2011	11:00 am - 3:30 pm (MST)
Kaibeto Chapter	April 7, 2011	9:00 am - 1:00 pm (MST)
Cameron Chapter	April 13, 2011	10:00 am - 2:00 pm (MST)
Tolani Lake Chapter	April 14, 2011	8:30 am - 2:00 pm (MST)
LeChee Chapter	April 20, 2011	11:30 am - 4:00 pm (MST)
Tonalea Chapter	April 21, 2011	9:30 am - 2:00 pm (MST)

**Schedule is depend on weather and road conditions. All times are on Mountain Standard Time (MST)**

**NONDISCRIMINATION STATEMENT:** The U.S. Department of Agriculture (USDA) prohibits discrimination in all of its programs 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, political beliefs, genetic information, 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, audio-tape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD).

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 and employer.