



NEWSLETTER



January 2013

Georgia State FSA Office

Hobby Stripling, State Executive Director
355 E. Hancock Ave.,
Room 102
Athens, GA 30601-2775

706-546-2266 phone
706-546-2327 fax
www.fsa.usda.gov/GA

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

State Office Staff

David F. Laster
Farm Loan Programs

Kula Campbell Moore
Administrative Officer

Brett M. Martin
Production Adjustment,
Conservation, Common
Provisions Section

Clark E. Weaver
Price Support,
Compliance, GIS
Section

Neal C. Leonard Jr.
State Outreach/Public
Affairs Coordinator

Barb J. Bundy
Newsletter Editor

2013 Dates and Deadlines

Acreage Reporting Deadlines: NEW REPORTING DATES ARE IN EFFECT

Jan 15, 2013

Acreage reporting deadline for: Apples, Barley, Blueberries, Canola, Oats, Peaches, Rye, Wheat and any other Fall or Winter-planted vegetables. Perennial forage or grass crops covered by NAP insurance should also be reported at this time.

Note: Crops with NAP Coverage:

If the crop being reported has NAP coverage, the final date to timely report the acreage is 15 days PRIOR to the onset of harvest or grazing. It is important for producers to remember that crops with NAP coverage will usually have a NAP crop reporting date EARLIER than the regularly established reporting dates for crops without NAP coverage.

Important COC Election Dates:

Jan 1, 2013

Elected committee members and alternates take office.

Additional Program Deadlines

Jan 31, 2013

Final date to request a Marketing Assistance Loan or Loan Deficiency Payment on 2012 CY Peanuts and Wool.

Jan 31, 2013

NAP Application Closing Date for Annually Planted Crops

Mar 31, 2013

Final date to request a Marketing Assistance Loan or Loan Deficiency Payment on 2012 CY Barley, Canola, Honey, Oats, and Wheat.

May 31, 2013

Final date to request a Marketing Assistance Loan or Loan Deficiency Payment on 2012 CY Corn, Grain Sorghum, Cotton and Soybeans.

June 7, 2013

Final date to enroll in SURE for 2011 crop losses that occurred through September 30, 2011

Now

Emergency Conservation Approved Applicants -- report completed practices to FSA

Now

Emergency Forest Restoration Program Applicants -- report completed practices to FSA

Now

Complete for 2012 form CCC-931, Average Adjusted Income Certification and Consent to Disclosure of Tax Information

Present Emergency Loan Application Deadlines in Georgia:

Mar 4, 2013

Designation M4068 in 4 counties due to losses caused by Tropical Storm Debby

Mar 11, 2013

Designation S3262 in 15 counties due to frosts and freezes

Mar 11, 2013

Designation S3263 in 15 counties due to hail and high winds

Mar 12, 2013

Designation S3265 in 13 counties due to drought

Mar 12, 2013

Designation S3271 in 11 counties due to drought

Mar 12, 2013

Designation S3272 in 140 counties due to drought

Mar 12, 2013

Designation S3286 in 13 counties due to drought

Mar 18, 2013

Designation S3292 in 5 counties due to drought

Apr 1, 2013

Designation S3309 in 14 counties due to drought

Apr 3, 2013

Designation S3321 in 5 counties due to losses caused by Tropical Storm Debby

Apr 22, 2013

Designation S3352 in 12 counties due to drought

Apr 29, 2013

Designation S3360 in 3 counties due to drought

May 20, 2013

Designation S3397 in 6 counties due to drought

May 27, 2013

Designation S3407 in 17 counties due to excessive rain

NOTE: All producers are encouraged to contact their local FSA office for information specific to the Emergency Loan Program and to determine whether their counties are declared under a certain designation.

Farmer's 2012 Tax Exemption - GATE - FSA Producers Encouraged to Apply

The Georgia Agriculture Tax Exemption program (GATE) is an agricultural sales and use tax exemption certificate issued by the Department of Agriculture that identifies its user as a qualified farmer or agricultural producer. The Georgia Agriculture Tax Exemption (GATE) is a new program created by Georgia House Bill 386, which offers qualified agriculture producers a sales tax exemption on agricultural equipment and production inputs. **Effective January 1, 2013**, this program will replace the Agricultural Certification of Exemption (ST-A1) form.

You will be charged a \$20 fee for all online applications and a \$25 fee for applications requiring assistance (i.e. mail and call center). The GATE application, rules and additional information can be found at the Georgia Department of Agriculture's website: <https://forms.agr.georgia.gov/GATE/>

You may email your questions or comments directly to farmtax@agr.georgia.gov or contact their call center between the hours of 8 am and 4:30 pm M-F, by dialing 1-(855)-FARMTAX, or 1-(855) 327-6829.

Sale of Land Under CRP Contract

This is a reminder for Conservation Reserve Program (CRP) participants who sell land under CRP contract to get a successor-in-interest to the contract. Failure to get the buyer to assume a contract will result in the original owner having to refund all CRP rental payments, cost share payments, incentive payments received on the contract, plus interest and liquidated damages. One way to prevent this from happening is to have a sales contract prepared that requires the new owner to assume the CRP contract.

Local county FSA committees have no authority but to terminate a CRP contract when the CRP participant loses control of the land and there is no

successor-in-interest to the contract. Please call or visit your local County FSA Office before you sell land that is currently in a CRP contract.

Violations Under CRP Contract Period

This is a reminder for Conservation Reserve Program (CRP) participants that land enrolled in the CRP program must follow the terms and conditions that were signed under the CRP-1 at the beginning of the contract period. Any violations such as harvesting trees, selling of land without county notification, enrolling into other Federal conservation programs, and so forth will result in termination of the CRP Contract and the owner having to refund all CRP rental payments, cost share payments, plus interest and liquidated damages.

If you have any issues with your CRP land, please call or visit your local FSA office first so that they are made aware of the situation and can act accordingly.

Newly Elected FSA County Committee Members to Take Office

Ballots have been counted and the newly elected COC members will take office January 1, 2013. Thank you to all producers who participated in this year's COC election.

County committee members are a critical component of the operations of FSA. They help deliver FSA farm programs at the local level. Farmers and ranchers who serve on county committees help with the decisions necessary to administer the programs in their counties. They work to make FSA agricultural programs serve the needs of local producers

FSA county committees operate within official regulations designed to carry out federal laws. County committee members apply their judgment and knowledge to make local decisions.

In addition to elected members, FSA county committees may also include advisors. Advisors are appointed to county committees in counties or multi-county jurisdictions that have significant numbers of minority or women producers and lack such members on FSA county committees. Advisors play an important role by providing diverse viewpoints and by representing the interests of minorities and women in decisions made by county committees. FSA state committees officially appoint advisors who are recommended by county committees or community based organizations. COC's shall submit the name of the nominee and supporting information to the STC no later than February 1 of each year.

For more information about FSA county committees, visit a local FSA or USDA Service Center or the Web site at <http://www.fsa.usda.gov/elections>.

IRS 1099 Changes

Calendar year 2012 has brought changes to the way FSA reports farm program payments to the producer and to the IRS.

In past years, IRS Form 1099-G would be issued to show all program payments received from the Farm Service Agency, regardless of the amount.

Starting with calendar year 2012, producers whose total reportable payments from FSA are less than \$600 will not receive IRS Form 1099-G. Also, producers who receive payments from more than one county will only receive one Form 1099-G if the total of all payments from all counties is \$600 or more.

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

REVISED 2013 Crop Acreage Reporting Dates for FSA and Crop Insurance Are NOW Effective

All producers are asked to please review the **Dates and Deadlines Section** of this month's newsletter for the upcoming **January Reporting Deadlines for numerous crops as well as for producers participating in the NAP program for Honey coverage.**

Beginning July 2012, a big change was made in the Crop Acreage Reporting Dates (CARD) for many of the crops planted here in Georgia, most particularly, fruits and vegetables. The revision in reporting dates was the result of a combined effort of both FSA and the Risk Management Agency (RMA – crop insurance) to make acreage reporting easier for producers by standardizing the acreage reporting deadline for crops for both FSA and crop insurance purposes.

The newly established deadline dates for the specific fruit and vegetable crops mentioned below will apply to these crops regardless of whether the producer has them covered under a crop insurance plan or not. These particular crops (apples, blueberries, peaches, cabbage, onions, pecans, fresh market sweet corn, fresh and market tomatoes) now have a specific FSA reporting deadline date and must be reported by the newly established reporting deadline whether the crop is covered by crop insurance or not.

REVISED Crop Reporting Dates for Georgia – Effective July 1, 2012

January 2 --- Honey (producers with NAP coverage)

January 15 --- Apples, Blueberries, Peaches, Barley, Canola, Oats, Rye, Wheat, and any other Fall-Seeded Small Grains. In addition, Grass and Forage Crops – **IF covered by NAP**

March 15 --- Cabbage (Planted between 10/1-2/20), Onions (Planted between 10/21-2/1), and Pecans

May 15 --- Flue-cured Tobacco, Fresh Market Sweet Corn (Planted between 8/26-5/15), Fresh Market Tomatoes (Planted between 8/16-4/5)

July 15 --- Cabbage (Planted between 2/21-5/31), Corn, Cotton, Grain Sorghum, Peanuts, Soybeans, and all other crops

August 15 --- Cabbage (Planted between 6/1-7/15), Fresh Market Tomatoes (Planted between 7/1-8/15)

September 15 --- Fresh Market Sweet Corn (Planted between 7/15-8/25)

October 15 --- Cabbage (Planted between 7/16-9/30)

November 15 --- Apiculture and Pasture, Range, Forage (PRF) – All other forage/grass producers are encouraged to report their Forage and Grazing Crops for 2013 by this date as well.

December 15 --- Onions (Planted between 9/20-10/20)

PLEASE NOTE: There was a big change in the Acreage Reporting Dates for winter-seeded small grains and grass crops with NAP coverage. These dates were moved forward from March 1, to January 15.

Producers are advised to contact their local FSA offices for more information on the revised crop acreage reporting deadlines and to obtain a copy of the new reporting deadlines.

Farm Service Agency Cautions **Producers on Clearing-Up Land**

FSA County Offices have been reporting they are discovering numerous producers clearing-up land to plant to crops without first discussing this activity with their local FSA or NRCS offices to insure they remain in compliance with the Sodbuster - Swampbuster provisions of the Food Security Act of 1985. It is important to note that even though the present Farm Bill has expired and Congress is continuing to work on new farm legislation, the “conservation compliance” provisions of the long-existing Food Security Act passed back in 1985 still remain in effect.

Often the discovery of the land clearing activities is coming too late to prevent those producers from losing their FSA program benefits. If the land is cleared-up BEFORE the person files form AD-1026 with FSA, and NRCS later determines the land in question is classified as “highly erodible” or “converted wetland”; then the producer is in violation of the Food Security Act of 1985, and could be ineligible for FSA benefits until the land is restored.

This problem appears to be wide-spread with violations being reported throughout the state where land is being cleared up to go into crop production. Increasingly high commodity prices seem to be the main contributing factor for some producers deciding to clear up land adjacent to existing fields; while other producers are expanding their farm operations by converting existing grasslands to row crop production. Many producers are under the impression that FSA and NRCS do not consider certain crops or land uses such as blueberries and grass “an annual agricultural commodity” because they are not planted and tilled on an annual basis. However, this is NOT correct! In fact, there are some situations where the land might meet FSA and NRCS standards, but not those of the Corps of Engineers as they relate to the Clean Water Act.

Therefore, **anytime** a person is planning on clearing-up **any** land, they should come by their local FSA office and file form AD-1026 indicating what they intend to do and where they intend to clear-up the land, **BEFORE beginning work**. NRCS will then work with the producer and make a farm visit and provide an “official” determination on whether the land is “highly erodible” or considered a “wetland-type” soil.

REMEMBER – Check First, To Be Sure!

2013 Tobacco Transition Payments Issued

The 2013 Tobacco Transition Program Payments (TTPP) are scheduled to be processed over the weekend of January 12-13, 2013. If everything goes according to schedule, producers should begin receiving their 2013 TTPP payments during the week of January 14-18.

It is important to note that, due to the large number of contract payments that must be processed, all tobacco contracts will not process at the same time. This means that a producer with multiple contracts might not receive all of their payments at the same time. In addition, persons signed up for “Direct Deposit” will receive their payments a few days before those persons that have chosen to continue to receive a “paper check.”

Let me issue a word of caution for those producers who continue to receive their TTPP (and any other program payments) by paper check. There have been reports of some of these tobacco checks being stolen from the mailboxes because these payments are generally processed at the same time each year - the second or third week of January. For added security, it is suggested that all producers, not just TTPP participants, sign-up for Direct Deposit and have their payments deposited directly into their bank accounts with provides additional security, as well as receiving their money faster.

If you have not received your tobacco check by February 1, it is suggested you contact your local FSA office and advise them of this fact. Please do not contact them any earlier as it could take this long to get all of the payments processed through the National Payment Service. There could be a couple of reasons why the payment has failed to reach you:

First, if you have Direct Deposit and the money has not been deposited by the end of January, it could be because of a change in the bank routing number or account if your bank been acquired by another institution or if you changed banks or account numbers on your own.

Second, if you get a paper check, it could be because you have moved and did not notify the county office of your new address.

Either of these reasons would cause the payment to fail to reach you. Please make your local FSA office aware of these situations if you fail to receive your 2013 TTPP payment by February 1, 2013.

Any questions you might have about reporting your 2012 TTPP payment or interest as part of your 2012 Federal tax return must be directed to either the IRS or your personal accountant. County offices have been instructed not to answer any questions about this as FSA employees are not trained in IRS regulations and do not have the expertise to deal with this issue.

How to Complete an FSA Direct Loan Application

Farm Service Agency (FSA) must follow all relevant federal credit, environmental, and debt collection laws and policies when making farm loans. Before applying for an FSA loan, producers should make sure their intended use of loan funds falls within FSA guidelines. Loan funds can be used by family farmers, ranchers, and others to refinance certain debts, pay normal operating and family living expenses, purchase farmland, livestock, equipment, feed, and other materials essential to farm operations. FSA loans cannot be used to refinance personal debts, buy personal vehicles, or start and operate non-farm businesses.

Applicants who need help in gathering information or completing forms should contact the local FSA office. FSA employees will help applicants understand what information is needed, where to find it or who to contact to get it. In some areas, FSA can arrange for an outside organization to help the applicant gather the information and complete the forms. Providing all the information in the following three steps will help the application process flow smoothly. Please note that other information may be required depending on each individual situation.

Step 1 – Complete Forms

Gather information and complete the following forms:

- Form FSA 2001, “Request for Direct Loan Assistance” – If the applicant is a cooperative, corporation, partnership, joint operation, trust, or limited liability company, additional information will be required of each member of the group. Producers will need to discuss their business structures with an FSA loan official. Applicants will need to provide a credit report fee, which will vary in amount depending on how many individuals are applying and/or the business structure.
- Form FSA-2002, “Three Year Financial History”
- Form FSA-2003, “Three Year Production History”
- Form FSA 2004. "Authorization to Release Information.”
- Form FSA-2005, “Creditor List”
- Form FSA-2006, “Property Owned and Leased”
- Form FSA 2037, “Farm Business Plan Worksheet-Balance Sheet.”
- Form FSA 2038, “Farm Business Plan Worksheet-Projected Income and Expense”
- Form FSA-2302, “Description of Farm Training and Experience.”

Step 2 – Provide Additional Information

In addition to forms, a loan applicant must provide FSA with the following information as part of the loan process: (If the applicant is already an FSA borrower, this information may already be on file with FSA.)

- Proof that the applicant cannot obtain credit from private sources at reasonable rates and terms.
- Copies of federal income tax returns for the past three years.
- Copies of any leases, contracts, or agreements that might affect the operation or that might be important.
- Documentation showing compliance with regulations governing certain environmental programs. The local FSA office can assist the applicant with meeting this requirement.

If a producer is applying for an emergency loan based on losses in an area that has been designated an agriculture disaster, he/she should fill out the following forms:

- Form FSA 2309, “Certification of Disaster Losses.”
- Form FSA 2310, “Request for Lender’s Verification of Loan Application.”

Actual Production History (APH) yields must be established by a producer’s crop insurance company and will be used to calculate losses. If APH yields are not available, three years of production history will be used.

Step 3 – Contact FSA

After completing the required paperwork, an applicant should contact his/her local FSA office or USDA Service Center to schedule an appointment with a farm loan official to submit the farm loan application. It is important that applicants who are having problems gathering needed information or completing forms contact FSA immediately for help.

After the loan application is submitted, FSA reviews the application and determines if the applicant is eligible for a loan. The applicant will receive written notification of each step in the process such as when the application is received, when more information is needed, when an eligibility determination is made, and when a final decision is made on the application. If the application is approved, FSA makes the loan and funds are distributed as needed. If the application is denied, the applicant will be notified in writing of the specific reasons for the denial, and provided reconsideration and appeal rights.

Obtaining Forms

FSA forms can be obtained from their local FSA office or USDA Service Center or they can be downloaded and printed from FSA’s Web site: <http://www.fsa.usda.gov/dafip/forms%20list.htm>.

Also, many forms can be filled out and submitted via USDA’s “eForms” Web site located at <http://forms.sc.egov.usda.gov/eForms/>. For information on available loan types and loan amounts, contact your local FSA office or visit FSA’s Web site, www.fsa.usda.gov.

FSA Near You! Worth County

Taylor Sumner comes from a long line of farmers in Worth County. He is the seventh generation of farmers that he can trace back. Taylor was raised on his family's farm with his grandparents, aunts and uncles who all live within two miles of each other. Taylor started driving a tractor and feeding cows at the early age of 10 but didn't really decide he

record keeping." He appreciates the assistance he has received from FSA and knows he would not have been able to purchase his farm or start farming on his own without the help of FSA. The local FSA office was also able to assist Taylor's father to purchase his first farm 23 years ago and hopes to continue their relationship with this family with the next generation due in July of this year.



wanted to farm until he was in college at Abraham Baldwin Agricultural College in Tifton, GA. Taylor and his brothers, Henry and Evan, farm about 500 acres in Worth and Tift counties. They grow cotton, peanuts, and wheat. Taylor received direct operating loans from FSA for several years before graduating to other credit this year. In 2011, he was able to purchase his own farm with financing from the local FSA office. Taylor says "The loan program is a good thing to help you get started and holds you to a higher standard than other lenders when it comes to