February 2012

Nez Perce County
USDA Service Center
1630 23rd Ave, Suite 1201
Lewiston, Idaho 83501

208-746-9621
208-798-3164 Fax
www.fsa.usda.gov/id

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

County Committee:
Neil Heitstuman, Chairman
Ralph Schwartz, Vice Chairman
Dale Wolff, Member

Staff
Tricia Uhlenkott, Acting CED
Christy Randall, PT
Diana Menzel, PT

Bardell Faux, FL Manager
Brian Hill, FL Officer
Jason Fisher, FL Officer
Annette VonBargen, FL PT

USDA Offers CRP General Signup

On February 1, 2012, USDA announced that the next general sign-up for the Conservation Reserve Program (CRP) 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 this period. In addition, CRP participants with contracts expiring on September 30, 2012, may submit offers. Idaho currently has 164,000 acres scheduled to expire September 30, 2012 throughout the state. Accepted contracts will begin on October 1, 2012.

Land being offered for the first time must have been cropped 4 of the 6 years between 2002 and 2007, must be Highly Erodible or in a Conservation Priority Area. The producer must show control of the land for the 10 year period of a CRP contract.

FSA will evaluate and rank eligible CRP offers using an Environmental Benefits Index (EBI) that shows the environmental benefits to be gained from enrolling the land in CRP. The EBI consists of five environmental factors (wildlife, water, soil, air and enduring benefits) and cost. Decisions on the EBI cutoff will be made after the sign-up ends and after analyzing the EBI data of all the offers.

Supplemental Revenue Assistance Program (SURE)

The sign-up for 2010 SURE losses continues through **June 1, 2012.**

The Supplemental Revenue Assistance Program (SURE) provides benefits for farm revenue losses due to natural disasters that incurred in the crop year 2010. SURE is available to eligible producers on:

- Farms in counties with Secretarial disaster declarations, including contiguous counties, that have incurred crop production or quality
- 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.

1099-G

Producers who have received FSA payments should have received a CCC-1099-G, a report to the IRS about FSA payments made to producers the previous calendar year. The report is a service to help 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.

Contact your local FSA office concerning 1099-G details and eAuthentication access.

DCP/ACRE Sign-up

2012 Direct and Counter-Cyclical Program (DCP) enrollment opened on Jan. 23, 2012 and closes on June 1, 2012. Call now for an appointment at the local office. Here are some IMPORTANT REMINDERS:

1) All producers planting on **DCP base** acres must be identified on the DCP/ACRE contract and receive a proportionate share of DCP/ACRE payment for the farm.

2) Changes on the farm after enrolling June 1st in DCP/ACRE **must** be reported to your local FSA office including: ownership changes, producer changes (individuals and entities) and changes in crop shares arrangements. **Note:** All changes must be made by Sept. 30, 2012.

Marketing Assistance Loans

Marketing Assistance Loans, also referred to as Commodity 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 term of the loan. Once beneficial interest in a commodity is lost, the commodity is ineligible for a loan — even if you regain beneficial interest.

Violating provisions of a marketing assistance loan may trigger administrative actions, such as assessing liquidated damages, calling in 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.

Unauthorized Disposition of Grain

If grain used as collateral for a loan has been disposed of through feeding, selling or any other form of disposal without prior written authorization from the county office staff, it is considered unauthorized disposition. The financial penalties for unauthorized dispositions are severe and a producer's name will be placed on a loan violation list for a two-year period. Always call before you haul any grain under loan.

Loans for the Socially Disadvantaged

FSA has a number of loan programs available to assist applicants to begin or continue in agriculture production. Loans are available for operating type loans and/or ownership.

While all qualified producers are eligible to apply for these loan programs, the FSA has provided priority funding for members of Socially Disadvantaged groups.

A socially disadvantaged applicant is one of a group whose members have been subjected to racial, ethnic or gender prejudice because of his or her identity as members of a group.

FSA loans are only available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere.

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.

The one-time loan origination fee charged on FSA guaranteed farm ownership and operating loans has increased from 1 percent to 1.5 percent of the guaranteed portion of the loan, for loans obligated after October 1, 2011.

To find out more about FSA loan programs, contact the county office staff.

Rural Youth Loans

The Farm Service Agency makes loans to rural youth to establish and operate income-producing projects in connection with 4-H clubs, FFA and other agricultural groups. Projects must be planned and operated with the help of the organization advisor, produce sufficient income to repay the loan and provide the youth with practical business and educational experience. The maximum loan amount is $5,000.

Beginning and Limited Resource Farmers

FSA assists beginning farmers and or members of socially disadvantaged groups to finance agricultural enterprises. Under these designated farm loan programs, FSA can provide financing to eligible applicants through either direct or guaranteed loans. FSA defines a beginning farmer as a person who:

- Has operated a farm for not more that 10 years
- Will materially and substantially participate in the operation of the farm
- Agrees to participate in a loan assessment, borrower training and financial management program sponsored by FSA
- For Farm Ownership Loans -Does not own a farm in excess of 30 % of the county's median size.

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.

An exception to the rule: spouses may not sign on behalf of each other for partnerships, joint ventures, corporations or other similar entities and on the adjusted gross income form, FSA-931's going to the IRA.

Individual signatures are also required on certain Farm Loan Program and Farm Storage Facility Loan documents. For more clarification on spousal signature authority, feel free to 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.

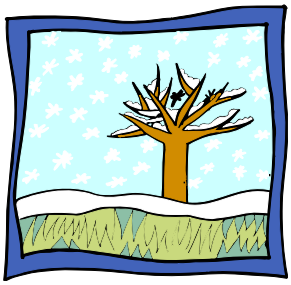
Production records and applications for payment for all crops must be reported to FSA no later than the acreage reporting date for the crop for the following year. FSA requires that any production reported in a loss year be verifiable according to Agency specifications. *NAP Losses must be reported within 15 days of loss.*

March 15 is the upcoming deadline for annual crops. Contact your FSA County Office for deadlines and more information.

2012 Average AGI

The Consolidated and Further Continuing Appropriations Act, 2012 included an additional AGI limitation applicable only to 2012 direct payments. A $1 million average AGI limitation, in addition to the $500,000 average nonfarm AGI and the $750,000 average farm AGI limitations will now be applied to all persons and legal entities that request 2012 direct payments. The $1 million average nonfarm AGI limitation remains effective for conservation program participants.

The recently deployed CCC-931 provided for the certification of average AGI compliance and the written consent to the disclosure of tax information in a single, 1-page document. The form has been revised to include the additional $1million average AGI limitation. Contact your local FSA office to make sure you have the most current form.



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USDA United States Department of Agriculture

Land Contract (LC) Guarantee Program

The Farm Service Agency (FSA) makes loans through the Land Contract (LC) Guarantee Program. The LC Guaranteed Loans will be offered to the owner of a farm who wishes to sell real estate through a land contract to a beginning farmer or a farmer who is a member of a socially disadvantaged group.

A land contract is an installment contract between a buyer and a seller for the sale of real property, in which complete ownership of the property is not transferred until all payments under the contract have been made.

Guarantees can be used for financing the purchase of a farm with a purchase price up to $500,000 on a new land contract.FSA offers two types of guarantees under this program.

Prompt Payment Guarantee: A guarantee of up to the amount of three amortized annual installments plus the cost of any related real estate taxes and insurance; or

Standard Guarantee: A guarantee of 90 percent of the outstanding principal balance under the land contract.

To find out if you qualify contact your local FSA office today or see additional information, including a complete list of borrower and seller eligibility criteria and application materials through the FSA website at www.fsa.usda.gov.

Selected Interest Rates for February 2012	
90-Day Treasury Bill	0.125%
Farm Operating - Direct	1.375%
Farm Ownership - Direct	3.375%
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	1.500%
Emergency	3.750%

Dates to Remember	
Jan. 23	2012 DCP Enrollment began
Feb. 20	President's Day – Office Closure
Mar. 12	CRP Signup Begins
Mar. 15	NAP deadline for Annual Spring Crops
April 6	CRP Signup Ends
June 1	2012 DCP Enrollment ends
June 1	2010 SURE Sign up ends

USDA is an equal opportunity provider, employer and lender.