



Kansas FSA Updates

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Farm Service Agency**

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SAVE THE DATE - WOMEN MANAGING THE FARM CONFERENCE

The annual Women Managing the Farm Conference is in the planning stages! The conference is slated for **Feb. 7-8, 2013** in Manhattan, KS at the Hilton Garden Inn. Pre-conference workshops will also be available this year to provide hands-on learning opportunities.

Mark your calendars and check the website for updated registration information: www.womenmanagingthefarm.info

CHANGES TO IRS FORMS 1099-G AND 1099-MISC FOR CALENDAR YEAR 2012

In past years, IRS Form 1099-G was issued to show all program payments received from the Farm Service Agency, regardless of the amount. For calendar year 2012, the 1099-G reporting will change.

IRS Form 1099-G (Report of Payments to Producers) will only be issued to producers whose reportable payments total \$600 or more for the calendar year. Additionally, if the producer has at least \$600 in reportable payments received from multiple FSA offices, only one Form 1099-G will be issued. Producers subject to voluntary withholding or backup (involuntary) withholding will receive the appropriate IRS form, even if combined payments are less than \$600.

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

Any producer who receives less than \$600 in combined payments should consult a tax advisor to determine if these payments must be reported on their tax return.

FARM STORAGE FACILITY LOAN PROGRAM

The Farm Storage Facility Loan Program (FSFLP) allows producers of eligible commodities to obtain low-interest financing to build or upgrade farm storage and handling facilities.

The new maximum principal amount of a loan through FSFL is \$500,000. Participants are now required to provide a down payment of 15 percent, with CCC providing a loan for the remaining 85 percent of the net cost of the eligible storage facility and permanent drying and handling equipment. Additional security is required for poured-cement open-bunker silos, renewable biomass facilities, cold storage facilities, hay barns and for all loans exceeding \$100,000. New loan terms of 7, 10 or 12 years are available depending on the amount of the loan. Interest rates for each term rate may be different and are based on the rate which CCC borrows from the Treasury Department.

Payments are available in the form of a partial disbursement and the remaining final disbursement. The partial disbursement will be available after a portion of the construction has been completed. The final fund disbursement will be made when all construction is completed. The maximum amount of the partial disbursement will be 50 percent of the projected and approved total loan amount.

The following commodities are eligible for farm storage facility loans:

- Corn, grain sorghum, rice, soybeans, oats, peanuts, wheat, barley or minor oilseeds harvested as whole grain
- Corn, grain sorghum, wheat, oats or barley harvested as other-than-whole grain
- Pulse crops - lentils, small chickpeas, dry beans and dry peas
- Hay
- Renewable biomass
- Fruits (including nuts) and vegetables - cold storage facilities
- Honey

For more information about FSFL or other direct and guaranteed farm loan programs please visit your FSA county office or www.fsa.usda.gov.

USDA ANNOUNCES DISASTER ASSISTANCE SIGN-UP FOR 2011 CROP LOSSES

Supplemental Revenue Assistance Payments (SURE) program enrollment for 2011 crop year losses started Oct. 22, 2012. Under the 2008 Farm Bill, SURE authorizes assistance to farmers and ranchers who suffered crop losses caused by natural disasters occurring through Sept. 30, 2011.

All eligible farmers and ranchers must sign up for 2011 SURE benefits before the June 7, 2013 deadline.

During 2011, a Secretarial Disaster Designation was given in Kansas to 104 counties, whether primary or contiguous, and producers are eligible to apply for SURE benefits if they experienced at least a 10 percent production loss that affects one crop of economic significance.

To meet program eligibility requirements, producers must have obtained a policy or plan of insurance through the Federal Crop Insurance Corporation or obtained Noninsured Crop Disaster Assistance Program (NAP) coverage for all economically significant crops. Eligible farmers and ranchers who meet the definition of a socially disadvantaged, limited resource or beginning farmer or rancher do not have to meet this requirement. Forage crops intended for grazing are not eligible for SURE benefits.

For more information on SURE program eligibility requirements contact your local FSA office or visit the website at <http://www.fsa.usda.gov/sure>.

NAP COVERAGE DEADLINES

Noninsured Crop Disaster applications are due at different times according to the crop being insured. Producers should apply for Noninsured Crop Disaster Assistance Program (NAP) coverage using form CCC-471 (Application for Coverage). Related service fees are due when the application is filed. The application and service fee MUST be filed by the crop sales closing date.

January 1, 2013 is the NAP Application closing date for apples and pears. For other dates, contact your local FSA office for the filing dates for your crops.

FSA CONSERVATION LOANS AVAILABLE

FSA Guaranteed Conservation Loan funds are now available. Conservation loans allow farmers and ranchers to implement conservation practices on their land that will help protect natural resources. Guaranteed Conservation Loans are a useful alternative to help operators implement any Natural Resources Conservation Service (NRCS) approved conservation practice including, but not limited to, waste management systems, conservation structures or water conservation measures.

Unlike other FSA guaranteed loan programs, Conservation Loans are not limited to family size farms. The Guaranteed Conservation Loan limit is \$1,302,000 and interest rates and terms will vary. The maximum guarantee FSA can issue is 75 percent.

A streamlined application process is available for applicants with a strong financial position. Interested applicants who do not already have a conservation plan approved by NRCS should work with their local NRCS staff to develop a conservation plan. As with other guarantees, lenders can reduce risk, increase liquidity and offer lower rates by selling the guaranteed portion in the secondary market.

For questions regarding Guaranteed Conservation Loans, please contact your lender or your local FSA Office.

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 time of application. Once beneficial interest in a commodity is lost, the commodity is ineligible for loan — even if you regain beneficial interest.

Bins are ideally designed to hold a level volume of grain. When bins are overfilled and grain is heaped up, airflow is hindered and the chance of spoilage increases.

Producers who take out marketing assistance loans and use the farm-stored grain as collateral should remember that they are responsible for maintaining the quality of the grain through the term of the loan.

LDPs FOR UNSHORN LAMB PELTS

Eligible producers have until Jan. 31, 2013, to apply for Loan Deficiency Payments (LDP) for unshorn pelts produced during the 2012 crop year.

Eligible producers must have beneficial interest in the pelts, owned the lamb for at least 30 calendar days before the date of slaughter and sell the unshorn lamb for immediate slaughter. Producers must also comply with wetland conservation and highly erodible land conservation provisions on all lands they operate or have interest in.

To qualify for payment, pelts must have been produced by an eligible producer from live unshorn lambs of domestic origin in the United States.

NOTICE TO HISPANIC AND/OR WOMEN FARMERS OR RANCHERS

If you, or someone you know, believe the US Department of Agriculture (USDA) has improperly denied you farm loan benefits between 1981 and 2000 because you are Hispanic or female, you may be eligible to apply for compensation. Claims must be filed between September 24, 2012 and March 25, 2013 to be considered for cash payment or loan forgiveness.

If you think you might be eligible to file a claim, please access the Farmer and Rancher Call Center at 1-888-508-4429 or the Website at www.farmerclaims.gov.

For guidance, you may contact an attorney or other legal service provider in your community. If you are currently represented by an attorney regarding allegations of discrimination or in a lawsuit claiming discrimination, you should contact your attorney regarding this claims process. USDA cannot provide legal advice.

SELECTED INTEREST RATES FOR DECEMBER 2012

Farm Operating Loans - Direct	1.125%
Farm Ownership Loans - Direct	3.125%
Farm Ownership Loans - Direct Down Payment, Beginning Farmer or Rancher	1.50%
Emergency Loans	2.125%
Farm Storage Facility Loans – 7 years	1.125%
Commodity Loans	1.125%

For more information on bulletin subjects or details regarding your Gov Delivery subscription with the Kansas FSA State Office, contact Rachel Jones at rachel.jones@ks.usda.gov or phone 785-539-3531.

USDA is an equal opportunity provider and employer. 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).
