



Lincoln County FSA News



November 2010

Lincoln County FSA

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Office Staff

Bill Wineinger, CED
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Office Hours

Monday – Friday
7:00 AM – 4:30 PM

Lincoln County FSA Committee

Nick Biggs, Chairperson
Damon Vonada, Vice-Chairperson
Connie Gebhart, Regular Member
-Committee meets 2nd Tuesday of month-
10:00 a.m. Nov.-Apr; 9:00 a.m. May-Oct.

DCP & ACRE Updates

Farms can be enrolled in the 2011 Direct and Counter-cyclical Payment (DCP) program or the Average Crop Revenue Election (ACRE) option through JUNE 1, 2011. Advance payments can be issued at 22 percent of the total “direct” amount beginning in December 2010, or any subsequent month during signup. The ACRE option is intended to provide a safety net for crop revenue shortfall due to price and/or production declines at the state and farm level. Both state and farm “triggers” must be met before ACRE payments are made. To participate in ACRE, producers give up counter-cyclical payments and 20% of the “direct” DCP payment, and accept a 30% reduction in commodity loan rates. Once a farm is enrolled in ACRE, it remains through 2012.

Foreign Land Ownership

The Agricultural Foreign Investment Disclosure Act (AFIDA) requires any foreign investor who buys, sells, or transfers agricultural land to report the transaction to FSA within 90 days.

FSA County Committee Election

Producers with farming interests primarily in the townships of Cedron, Golden Belt, Grant, Hanover, Highland, Pleasant, and Vesper should have received ballots by mail to elect a County Committee member to serve a three-year term. If you think you should have received a ballot, but did not, please contact us immediately. A few election reminders: (1) ballot labels must be signed to be counted; (2) power-of-attorney privileges CANNOT be used for voting, but authorized signatures for entities are acceptable; and (3) ballots must be returned by DECEMBER 6, 2010. The ballots will be counted at the FSA office at 11:00 a.m. on December 7, 2010, and is open to the public to observe.

Average Adjusted Gross Income (AGI) Verification

Many producers recently received a letter from the national office indicating that a “Consent to Disclosure of Tax Information” form was not provided to the Internal Revenue Service (IRS) to remain eligible for USDA payments. Beginning with the 2009 farm programs, new average Adjusted Gross Income (AGI) provisions were implemented to qualify for most federal farm program payments. Each year, all persons and legal entities requesting program payments (directly or indirectly) must complete CCC-926 forms certifying that a previous three-year average AGI does not exceed the following levels: (1) if the non-farm AGI exceeds \$500,000 a person or entity shall not be eligible for all commodity, price support, or disaster assistance programs; (2) if the farm AGI exceeds \$750,000 a person or entity shall not be eligible for direct payments issued under the Direct and Counter-cyclical Payment (DCP) program; and (3) if non-farm AGI exceeds \$1,000,000 a person or entity shall not be eligible for all conservation programs, unless two-thirds or more of the average AGI was derived from activities related to farming, ranching, or forestry operations.

An electronic information exchange process will be used for the purpose of average AGI verification. Using this process, no actual tax data will be included, but cases that appear to exceed the average AGI levels will be identified and examined closer to ensure compliance. However, IRS is requiring written consent from individuals and entities to provide USDA verification of the average AGI. Thus, two forms were created (CCC-927 for individuals and CCC-928 for entities), which are required to be completed by every person and/or their entities receiving farm program payments. Producers were asked to complete and return the applicable forms within 30 days from the date of the letter to avoid a delay or interruption in the receipt of farm program payments.

Both the CCC-927 and CCC-928 forms are available at your local FSA office. Entity representatives receiving the letter needs to be responsible for ensuring ALL associated individuals, partners, stockholders, etc., fully complete appropriate forms and timely mail the forms directly to the IRS address on the form. Also, IRS will not accept power-of-attorney signatures on file at FSA. Contact our office for questions regarding AGI or to get CCC-927 or CCC-928 forms.

Report 2011-Crop Wheat Acres

Many farm operators have already reported their 2011-crop planted wheat acres. We encourage timely and accurate acreage reports that match with crop insurance records. FSA measurement services using GPS equipment are available at established costs if you are unsure of your acreage. JUNE 1, 2011, is the final date to report acreages of wheat, oats, barley, and triticale.

Report Failed and Prevented Planting to FSA

Crop acreage that fails or is significantly damaged by adverse weather or related conditions should be reported to FSA within 15 days of the disaster event, or when the loss is apparent, and definitely before any failed crop is grazed, hayed, silaged, destroyed or abandoned. And, when weather does not permit crops from being timely planted, “prevented planting” provisions may apply. Any prevented planting acreage must be reported within 15 days from the final planting dates set for crop insurance or NAP (for non-insurable crops). Late-filing fees must be charged for field inspections if the reporting deadlines are past.

Reasonable Accommodations

Special accommodations will be made, upon request, for individuals with disabilities, vision or hearing impairment. Contact Bill Wineinger for any arrangement needed.

Farm Reconstitutions Deadline June 1

A farm unit, as defined by FSA, is generally made up of tracts of land that have the same owner and same operator. The sale of a specific tract within a farm would be an instance that FSA would likely require a farm reconstitution to divide the farm. Farm reconstitutions could also involve combining tracts to create new farms. In either case, farm reconstitutions must be requested by JUNE 1.

Paper Check Conversion

Over the next year, FSA is scheduled to electronically process producer checks collected for measurement service charges, commodity loan repayments, etc. Under this process, checks are converted into an Electronic Funds Transfer (EFT) allowing the funds to be debited from the producer's financial account, usually within 24 hours. Of course, this method will require that sufficient funds are in the account when the debit is made.

Conservation Reserve Program (CRP)

The results were very successful during the recent "general" signup for CRP held August 2-27. Lincoln County had a 100 percent acceptance rate. Producers should now be working with the Natural Resources Conservation Service (NRCS) to develop and implement the CRP conservation plans.

--PRESCRIBED BURNS: Now is the time for CRP participants to prepare for prescribed burns. Some producers must burn to meet contract responsibilities, and others want to burn CRP to control volunteer trees or to better perform a forb/legume enhancement. Prescribed burns on CRP acres are permitted from FEBRUARY 1 through APRIL 14, and some cost-share funds may be possible for "optional" burns if requested in advance at the FSA office. Prescribed burns with cost-share make the acreage ineligible for "managed" haying or grazing during the year of the burn. Burning CRP is prohibited from APRIL 15 through JULY 15 since it is the primary nesting period for upland birds, but Kansas policy now allows for "summer" burns from July 16 through August 31.

--NEW SEEDINGS: Producers with new CRP acreage are urged to timely establish required cover crops and/or grass plantings. If an acceptable cover crop has been approved, native grass seeding can begin December 1 and continue through MAY 15, 2011. CRP participants should contact NRCS or FSA personnel about seeding information.

--NEW CRP OFFERS: CRP signup is on-going for "continuous" practices such as waterways, filter strips (next to streams), contour and terrace grass strips, windbreaks, and quail buffers. Practice CP38E is available for "official" fields of five acres or less that may be difficult to farm with large equipment. In addition, CP38E allows flexibility to eliminate "point rows", creating "blocks" of wildlife habitat.

Conservation Loan Program (CLP)

CLP is new and is intended to provide farmers and ranchers with low interest loans to install conservation practices or implement conservation techniques to conserve natural resources. This program is basically available to any producer that can show repayment ability, and a streamlined process is available for applicants with strong financial positions. CLP funds can be used for a multitude of items such as more efficient water nozzles for irrigation, developing a manure management system, cross-fencing, traditional conservation practices, etc. Contact FSA or NRCS about this new program.

2010-Crop Loan Deadlines

Low interest commodity loans are available for farm- or warehouse-stored grain for up to nine months following the month of loan approval. The following deadlines apply for commodity loans: MARCH 31: Wheat, Oats, and Barley. MAY 31: Corn, Milo, Soybeans, and Sunflowers.

Non-insured Assistance Program (NAP) Reminders

The next sales closing date for 2011 NAP coverage is December 1, which includes alfalfa, oats, all grasses, honey, mixed forages and numerous fruits, nuts, and vegetables. The cost is now \$250 per crop, not to exceed \$750 per county or \$1875 for multi-county interests. Producers with NAP coverage maintain eligibility for benefits under several crop and livestock disaster programs. Under NAP, good record keeping and disaster reporting is required.

Spouse Signature Authority

With the exception of loans and a few other documents, spouses can sign most FSA program documents on behalf of each other without a power-of-attorney on file. A written statement is required to revoke this authority and must be signed and dated.

Name, Address, Entity, or Bank Changes?

Producers sometime forget to timely report changes to our office which has caused ineligibility for farm program benefits or delayed payments. Please remember to promptly report name and address changes, changes in accounts or financial institutions, and the formation or dissolution of entities such as trusts, estates, corporations, partnerships, etc.

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