

November 2012



Antrim/Otsego County FSA Updates

Antrim/Otsego County

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2011 Supplemental Revenue Assistance Program (SURE) Sign-Up

Producers can now enroll in the Supplemental Revenue Assistance Payments (SURE) program for **2011** crop year losses. 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, several Michigan counties received a Secretarial Disaster Designation, 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 the Antrim/Otsego County FSA office at: 231-533-8542, ext. 2 or visit the SURE website at <http://www.fsa.usda.gov/sure>.

County Committee Elections

Watch your mailbox for your official County Committee election ballot starting early in November. Ballots will be mailed to all eligible voters on November 5, 2012. If for some reason you do not receive a ballot please call the FSA office at 231-533-8542 ext. 2. Completed and signed ballots must be returned to the county office by close of business on December 3, 2012.

2013 Non-Insured Crop Disaster Assistance Program (NAP)

When a natural disaster like drought, excessive rain, or high winds caused crop losses or prevented planting it can impact your bottom line. If you have Crops for which Risk Management Agency (RMA) Catastrophic Risk Protection (CAT) coverage are not available, they may be covered under NAP, and could be purchased for \$250 per crop and a maximum of \$750 per county.

To qualify for administrative service fee waiver, a limited resource producer must have a total household income at or below the national poverty level for a family of 4, or less than 50% of the county median household in both the previous 2 years. Limited resource producer status can be determined by using a web site available through the Limited Resource Farmer and Rancher Online Self Determination Tool through the National Resource and Conservation Service at <http://www.lrftool.sc.egov.usda.gov>. Please note that limited resource producers are required to recertify limited resource producer status annually.

THE DEADLINE for purchasing your 2013 policies is as follows:

November 20, 2012: Final date to purchase NAP coverage for apples, apricots, asparagus, blueberries, cane berries, cherries, cranberries, grapes, nectarines, peaches, pears, plums, rhubarb, strawberries.

December 1, 2012: Honey & Maple Sap

REMEMBER – Without crop insurance or NAP on all significant crops, you may NOT be eligible for National Disaster Programs. For additional information please contact your local FSA office.

Farm Reconstitutions

For FSA program purposes, tracts having the same owner and the same operator are usually grouped under one farm serial number. When changes in ownership or operation take place, a farm reconstitution is sometimes necessary.

A reconstitution—or recon—is the process of combining or dividing farms or tracts of land based on the farming operation. Remember, to be effective for the current year, recons must be requested by **August 1** for farms enrolled in specific programs.

Emergency Loans

Multiple Disaster Designations have been issued affecting Michigan counties. Area counties have been designated eligible for Emergency farm loans. The loans cover losses caused by the combined effects of several weather events during the Winter and Spring of 2012, and continuing, including excessive heat, drought and frost/freeze. Qualifying producers may receive Emergency Loans at an interest rate of 2.125%. To be eligible, a farm must have suffered at least a 30% loss in one of its major crops, due to one of the covered perils and be unable to obtain similar financing from a commercial lender (other eligibility requirements also apply). Applications will be accepted through March 1, 2013, or April 29, 2013, depending on the cause of the loss. Please contact the Farm Loan staff at 231-941-0951 ext. 2 with any related questions.

Marketing Assistance Loans (9-Month Commodity Loans)

A Marketing Assistance Loan (MAL) is available for producers who share in the risk of producing a crop, and provide the producer interim financing to meet cash flow needs without them having to sell the commodity at harvest, when market prices are typically lower.

To be eligible, a producer must maintain continual beneficial interest in the crop from harvest through the earlier of; the date the loan is repaid or CCC takes title to the commodity. Once beneficial interest in a commodity is lost, the commodity is ineligible for loan — even if the producer regains beneficial interest.

Commodity loan eligibility also requires compliance with conservation and wetland protection requirements; beneficial interest requirements, acreage reporting, and ensuring that the commodity meets Commodity Credit Corporation minimum grade and quality standards. The quality of the commodity in farm storage must be maintained throughout the term of the loan.

Loans mature on the last day of the ninth (9) calendar months following the month in which the loan is approved.

Violating provisions of a marketing assistance loan may result in liquidated damages, calling the loan, and denial of future farm-stored loans.

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 purchase or improve farms or ranches.

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 (SDA) 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 the group without regard to his or her individual qualities.

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 than 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

§ Does not own a farm in excess of 30 percent of the county's median size.

Additional program information, loan applications and other materials are available at your local USDA Service Center. You may also visit www.fsa.usda.gov for more information.

IRS FORM 1099-G AND 1099-MISC REPORTING

Beginning with calendar year 2012 IRS reporting, Kansas City will be issuing only one IRS Form 1099-G and/or one IRS Form 1099-MISC to each multi-county producer whose total reportable payment for each tax identification number are equal to or greater than \$600.00. This is a change from receiving one 1099 from each county.

Also beginning with calendar year 2012 IRS reporting, Kansas City will no longer generate and mail IRS Form 1099-G and/or IRS Form 1099-MISC to producers if the total of reportable payments for each tax identification number is LESS THAN \$600.00.

Producers receiving less than \$600.00 in combined payments need to consult a tax advisor to determine if these payments must be reported on their tax return.

Dates to Remember

November 20 - Deadline to apply for NAP Policies for perennial fruits & vegetables.

November 22 - Office closed in observance of Thanksgiving Day.

December 1 - Sales closing date for 2013 NAP on honey and maple sap.

December 3 - Final date for County Committee Election ballots to be postmarked or returned.

December 25 - Office closed in observance of Christmas Day.

January 1 - Office closed in observance of New Year's Day.

January 2 - Deadline to certify honey and report subsequent years' production for NAP.

January 15 - Final date to report apples, blueberries, cherries, grapes, and peaches; report subsequent years' production for NAP on these crops.

January 31 - Final date to request 2012 wool loan or LDP.

March 1 - Deadline to apply for Emergency Loans for 2012 crop losses.

March 15 - Final date to purchase NAP coverage on most spring seeded NAP crops.

March 31 - Final date to request a 2012-crop small grains and honey loans or LDP.

May 31 - Final date to request 2012-crop feed grains, oilseeds loans or LDP.

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 20250-9450, 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).