



# Berrien County Newsletter

April 2010

Issue #2010-02

## Berrien County USDA Service Center

**Berrien County FSA**  
3334 Edgewood Rd  
Berrien Springs, MI  
49103-9553  
269-471-9111 (phone)  
269-471-3773 (fax)  
www.fsa.usda.gov/mi

### Hours

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

### County Committee

Calvin Gnodtke, Chair  
Mary Wagner, Vice-Chair  
Neal Kreitner, Member

### COC Meetings

Second Wednesday of  
each month at 9:00 a.m.

### Farm Program Staff

Jenifer A. Taylor, CED  
Sue Kraklau, PT  
Barb Dumke, PT  
Nova Little, PT  
Marquita Sommer, PT  
Steve Kraklau, Field Tech

### Farm Loan Staff

Jon LaPorte, FLO  
Delores Whitson, PT

## ADJUSTED GROSS INCOME VERIFICATION PROCESS

This provides an overview of the average adjusted gross income (AGI) certification and compliance review process. A key component is the data-sharing process with the Internal Revenue Service (IRS). The IRS tax information will be used to identify program participants that may not have complied with statutory AGI requirements, or whether further review is required to make an accurate determination.

- Beginning in January 2010, the Farm Service Agency (FSA) and the Natural Resources Conservation Service (NRCS) will provide producers with consent forms to voluntarily complete and submit to the IRS which authorize the IRS to disclose information to USDA for 2009 and 2010 AGI compliance purposes. Two consent forms, one for individuals (CCC-927) and one for legal entities (CCC-928), will be used. Producers may obtain the consent forms at their local USDA Service Center or online at <http://forms.sc.egov.usda.gov>. USDA Service Centers will not accept or retain the completed consent forms.
- Producers will mail consent forms directly to the IRS. USDA Service Center employees will not accept any tax information, completed forms or other tax-related paperwork from producers for this process. The deadline for producers to submit the consent forms to the IRS is June 15, 2010. As required by law, producers must sign the applicable consent form to grant the IRS the authority to provide tax information data to USDA.
- After June 15, 2010, a reconciliation process will be initiated to identify producers that did not file a consent form with the IRS. Producers identified through this process will receive written notice of the requirement to submit a consent form to the IRS to avoid interruption of program payments.

- The IRS will check each participant's AGI compliance by performing computerized calculations that indicate whether or not a producer exceeds AGI limitations. Average AGI calculations for 2009 are computed based on the 2005, 2006, and 2007 tax years, and the average AGI calculations for 2010 are computed based on the 2006, 2007, and 2008 tax years.
- Producers whose average AGI appears to be in excess of the statutory AGI limitations will be notified in writing of the results. Those producers will be given the opportunity to demonstrate that the AGI limits have not been exceeded by obtaining third party verification from a certified public accountant or attorney. Verification will need to be presented the FSA State Office within 30 days of the initial notification.
- Producers determined not in compliance with AGI limitation will be offered appeal rights to either the FSA State Committee or the National Appeals Division.
- Producers who fail to respond to written notices of AGI non-compliance or determined non-compliant will be notified of the requirement to refund the applicable payments. Actions required by the Debt Collection Improvement Act (DCIA) will be followed by NRCS and FSA.

## ATTENTION:

**ANYONE WHO RECEIVED A  
PAYMENT IN 2009 OR WILL  
RECEIVE A PAYMENT IN 2010  
MUST SUBMIT THE APPLICABLE  
FORMS TO THE IRS BY  
JUNE 15, 2010**



## 2010-2012 LEASES

All leases must include, at a minimum, the following information:

- Length of lease: multi-year lease must list number of years
- Owner(s) and operators printed names **and** signatures
- Signature dates
- Type of lease: cash, share, barter, etc.



## POWER OF ATTORNEY

Did you know you can retain an agent to act on your behalf for programs and transactions authorized under the 2008 Farm Bill and most other FSA administered programs? This can be done by completing an FSA-211: Power of Attorney. The form is available at your local USDA Service Center or on-line at <http://forms.sc.egov.usda.gov>. Forms completed outside FSA offices must be notarized. To find out more, call the office.

## 2010 DCP/ACRE SIGNUP BEGINS

*The 2010 DCP/ACRE enrollment deadline is **June 1, 2010**.* If you have not received an appointment postcard or have not yet scheduled an appointment, please contact your local County Office. You must sign new DCP/ACRE contracts every year! Don't wait till acreage reporting time when things start getting busy!!

## SUPPLEMENTAL REVENUE ASSISTANCE PROGRAM (SURE) SIGNUP CONTINUES

Signup for the SURE program has begun with no deadline announced. The SURE program covers the 2008 crop year for disaster. If you had Federal Crop Insurance or NAP coverage on all crops in all counties that contribute at least 5 percent of the expected revenue for your farming operation, then you may be entitled to a SURE payment. The following are the conditions that trigger SURE payments:

- at least one crop of economic significance must suffer a 10% production loss due to an eligible disaster condition
- crop of economic significance is a crop that has contributed or would have contributed at least 5% or more of the total expected revenue from all crops on the farm
- producers in counties declared disaster counties by the Secretary of Agriculture, in contiguous counties, or those who show proof of an individual loss of at least 50% are eligible to receive SURE payments for crop producer or crop quality losses. Losses are measured with consideration to the whole-farm revenue, which includes crop insurance indemnities and commodity program payments, so that producers are not paid more than once for the same loss.

A SURE calculator is available at: [http://www.fsa.usda.gov/Internet/FSA\\_File/sure\\_calculator\\_2008.xls](http://www.fsa.usda.gov/Internet/FSA_File/sure_calculator_2008.xls). The calculator is not official, but is intended for educational use. A fact sheet and background are also available online. Please contact your local County Office with any questions regarding the SURE program.

## COUNTY COMMITTEE (COC) ELECTION RESULTS

Congratulations to Mary Wagner! Mary was re-elected to represent farmers from *Baroda, Berrien, Lake, Lincoln, Niles, Oronoko, Royalton and St. Joseph Townships*. Mary was elected to her second consecutive term. The election results for Local Administrative Area 2 are:

Mary Wagner - Elected to the COC  
Lowell Dunham - 1<sup>st</sup> alternate to COC  
Ronald Marschke - 2<sup>nd</sup> alternate to COC

FSA appreciates all of the voters for taking the time to complete the election ballot. The county committee system works only because of your participation.

## SPOUSAL SIGNATURE

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. There are exceptions to the rule. Spouses may not sign FSA-211s on behalf of each other or sign on behalf of the other as an authorized signatory for partnerships, joint ventures, corporations or other similar entities. Spouses must have a power of attorney on file or sign personally for claim settlements, such as promissory notes, and on security documents for price support loans.

## RISK MANAGEMENT AGENCY

FSA and RMA are working together to prevent fraud, waste, and abuse in the Federal Crop Insurance Program. A few of the ways that FSA is helping include:

- assisting RMA and AIP's in monitoring crop conditions throughout the growing season
- referring all suspected cases of fraud, waste, and abuse about the Federal Crop Insurance Program to RMA
- providing producer information to RMA and AIP's to assist in claim audits, inspections, and quality control reviews.

Producers may also report suspected cases of fraud, waste, and abuse to their local County or RMA office.

## MAINTENANCE OF DCP/ACRE PROGRAM ACRES

DCP participants are required to protect all idle contract acres from erosion and weeds. Idle fields designated as “contract acres” must have a sod cover, crop residue or volunteer grasses. Weeds are not an acceptable cover and must be mowed. Failure to control weeds on contract acres will cost you program benefits if the COC determines the producer failed to demonstrate a good faith effort to control weeds and/or erosion.

## BANK ACCOUNT CHANGES

All FSA payments are supposed to be electronically transferred into your bank account. In order to make timely payments, you need to notify the office if you close your account or if your bank is purchased by another financial institution. Payments can be delayed if we are not aware of changes to account and routing numbers.

## SPECIAL ACCOMMODATIONS

Persons with disabilities who require accommodations to attend or participate in any meeting or event should contact Jenifer Taylor by phone at (269) 471-9111 ext. 2 or by e-mail at [jenifer.taylor@mi.usda.gov](mailto:jenifer.taylor@mi.usda.gov).

## 1099-G TAX FORMS

Producers who have received payments from FSA should have received a CCC-1099-G. A CCC-1099-G is a report to the Internal Revenue Service about FSA payments made to producers during the previous calendar year. The CCC-1099-G is a service to help participating 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 e-Authentication 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. See the next page for how to obtain an e-Auth user ID and password.



## FARM LOAN PROGRAMS

The Farm Service Agency (FSA) offers loans for farmers to purchase farmland and finance agricultural operations. FSA loan programs are designed to help producers who are temporarily unable to obtain private or commercial credit. In many cases, applicants are beginning farmers who have insufficient net worth to qualify for financing through a commercial lender. In other instances, borrowers might have suffered setbacks from natural disasters or might be persons with limited resources.

Rural youth loans, loans to beginning farmers and loans for socially disadvantaged applicants are also available through FSA. For details just contact the county office for an appointment with a farm loan officer.

**There has been a large increase in demand for FLP services, so please contact your Farm Loan Programs staff early if you need FSA credit for spring planting, etc.**

## PRODUCER RESPONSIBILITIES FOR NAP PRODUCTION RECORDS

Producers are responsible for providing accurate and complete information. It is the producer’s responsibility to report the total amount of unit production. It is not CCC’s responsibility to determine the producer’s amount of production.

The producer’s responsibilities include, but are not limited to:

- providing, when required, the best verifiable or reliable production evidence available for the crop by practice, type, intended use, or planting period
- summarizing all the production evidence
- accounting for all the crop’s production, whether or not records reflect this production
- providing the information in a manner that can be easily understood by COC
- reporting production by the date specified by CCC
- retaining production evidence for 3 crop years after the crop year it is initially certified.

All producers including producers of hand harvested crops are required to provide acceptable and verifiable production records for that production which is harvested. If selected for spot check, supporting evidence is required for acreage and production that was certified on the current crop year CCC-452.

During any year that a CCC-576 is filed because of loss, producers of hand harvested crops are required to notify the County Office 15 calendar days after harvest is complete and before destruction of the crop so an appraisal of remaining production can be completed. The purpose of the appraisal is to document production left in the field because of quality or unmarketable because of the lack of market.

If the producer fails to provide acceptable production evidence where required by COC or as the result of a spot check, an assigned, zero credited, or T-yield will apply and shall be included in the APH database.

### Farming Operation Changes

If you have bought or sold land, or if you have picked up or dropped rented land from your operation, make sure you report the changes to the office as soon as possible. Failure to maintain accurate records with FSA on all land you have an interest in can lead to possible program ineligibility and penalties. Making the record changes now will save you time in the spring.

### eGOV CUSTOMER REGISTRATION PROCESS

1. Access your website of interest:
  - USDA Customer Statement  
<http://customerstatement.usda.gov>
  - Electronic LDP Signup  
[http://www.fsa.usda.gov/egov/eldp\\_default.htm](http://www.fsa.usda.gov/egov/eldp_default.htm)
  - Electronic DCP Signup  
[http://www.fsa.usda.gov/egov/edcp\\_default.htm](http://www.fsa.usda.gov/egov/edcp_default.htm)
2. Create an online user profile and apply for Level 2 access
3. Respond to the verification email within 7 days of receipt.
4. Visit the County Office in person and provide photo identification to the Local Registration Authority in order to receive Level 2 Activation.
5. Access Level 2 applications within 1 hour after profile has been activated.

Dates to Remember	
May 31 <sup>st</sup>	Office Closed: Memorial Day
May 31 <sup>st</sup>	Deadline to request '09 corn or soybean loans
June 1 <sup>st</sup>	DCP/ACRE Deadline
June 30 <sup>th</sup>	Deadline to report acreage for fall seeded small grain crops
July 5 <sup>th</sup>	Office Closed: July 4 <sup>th</sup> Holiday
July 15 <sup>th</sup>	Deadline to report acreage for all crops except fall seeded
Continues	CRP-SAFE Program Enrollment
Continues	Farm Storage Facility Loans
Continues	Continuous Conservation Reserve Program Sign-up

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[www.fsa.usda.gov/mi](http://www.fsa.usda.gov/mi)

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To file a complaint of Discrimination, write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, SW., Washington, DC 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.