

November 2012



## Grand Traverse, Leelanau, Kalkaska FSA Updates

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### Grand Traverse Area FSA Office

Grand Traverse  
Kalkaska  
Leelanau

**Address:**

1501 Cass Street, Ste A  
Traverse City, MI 49684

**Phone:** 231-941-0951

**Fax:** 855-292-1667

**County Executive**

**Director:**

Gregory Shy

**Farm Loan Manager:**

James Monroe

**Program Technicians:**

Caleb Boge

Janet Howes

Jan Malik

### 2012 Dates to Remember

The following are important deadline dates for the 2012 crop year:

- **November 22nd** - Thanksgiving Holiday – Office closed
- **December 1st** - Deadline to apply for NAP Policies for honey and maple sap
- **December 25th** - Christmas Holiday – Office Closed
- **January 1st** - New Year's Day Holiday – Office Closed
- **January 15th** - Deadline to certify apples, blueberries, cherries, grapes, & peaches

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### County Committee Elections LAA #2

For eligible voters in the following townships: Cleveland, Centerville, Solon, Kasson, Elmwood, Glen Arbor, and Empire.

Please make sure that your voice is heard!

Ballots were mailed to all eligible voters on November 5, 2012. If for some reason you didn't receive a ballot, feel free to notify the county FSA office.

Completed and signed ballots must be returned to the county office or be postmarked **by December 3, 2012.**

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### Fall Seeded Crops & Hay Acreage Certifications

A reminder that the acreage reporting dates for fall seeded crops **and** perennial forage was changed from past years to **NOVEMBER 15th**. Therefore any crop listed below that has been seeded and/or will be planted this fall was to be reported by the deadline date of November 15th, 2012 to be considered timely filed.

- Forage (Alfalfa & All Mixed Hay, regardless of prior planting date)
- Fall Wheat
- Fall-Seeded Small Grains

**Please contact the Grand Traverse area FSA office in the event that you missed the November 15th filing deadline for late certification.**

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## Got Hay? Need Hay?

Hay Net is the Farm Service Agency's (FSA) online service for farmers and ranchers to use to share hay need ads and hay availability ads online.

There is a one-time registration process that is to be completed by all users who want to post an ad online. However, producers who wish to only browse the ad listings do not need to register.

To visit the FSA Hay Net site, follow the Hay Net link on <http://www.fsa.usda.gov> and click on Online Services, or click the link below.

[FSA Hay Net](#)

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## 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.

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## NAP & ACRE Production Reporting

FSA reminds producers who are first-time NAP participants with coverage for the 2013 crop year of production and reporting requirements. These producers need to submit a minimum of three, up to ten years of production in order to establish their 2013 approved yield.

ACRE producers are required to submit the current year production for your ACRE farm by July 15th in the year immediately following harvest. The final date to report production for 2012 ACRE crops is July 15, 2013.

At this point, a new farm bill has not been enacted. In the event that a farm bill is enacted in upcoming months, County Offices will be faced with the task of implementing a new farm bill while completing the collection of information required under the 2008 Farm Bill. Therefore, it would be greatly appreciated if producers submit 2012 harvest production well in advance of the reporting deadline.

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## **GREAT INTEREST RATES: Farm Storage Facility Loans (FSFL)**

Remember - These loans are now available for hay/forage storage as well as traditional grain storage!!

November Interest Rates:

1.125 percent for 7 years with a loan of \$100,000 or less

1.750 percent for 10 years with a loan of \$100,000 - \$250,000

2.000 percent for 12 years with a loan of \$250,000 - \$500,000.

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## **Farm Storage Facility Loan Program**

The Farm Storage Facility Loan (FSFL) program 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. 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 U.S. 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.

Applications for FSFL must be submitted to the FSA county office that maintains the farm's records. An FSFL must be approved before any site preparation or construction can begin.

The following commodities are eligible for farm storage facility loans:

- Corn, soybeans, oats, wheat, barley or minor oilseeds harvested as whole grain
- Corn, wheat, oats or barley harvested as other-than-whole grain
- Hay
- Renewable biomass
- Fruits (including nuts) and vegetables - cold storage facilities.

For more information about FSFL visit the FSA county office or [www.fsa.usda.gov](http://www.fsa.usda.gov).

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## IRS FORM 1099-G AND 1099 – 2012 Changes

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.

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## 2011 SUPPLEMENTAL REVENUE ASSISTANCE PAYMENTS (SURE)

The USDA has announced disaster assistance sign-up for 2011 crop losses. Producers can enroll in the Supplemental Revenue Assistance Payments (SURE) program beginning immediately. Under the 2008 Farm Bill, SURE authorizes assistance to farmers and ranchers who suffered crop losses caused by natural disaster occurring through September 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 your local FSA County office or visit the website at <http://www.fsa.usda.gov/sure>

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## Farm Loan Programs – Emergency Farm Loans Available

USDA/FSA emergency farms loans are available in Antrim, Charlevoix, Emmet, Grand Traverse, Kalkaska, Leelanau, Otsego and 65 other Counties to all qualified farm operators as a result of losses caused by adverse weather conditions.

Effective **June 29, 2012**, the United States Department of Agriculture designated 72 Michigan counties as natural disaster areas.

The counties were designated as natural disaster areas **for losses due to the combined effects of blizzards, excessive snow, excessive heat, excessive rain, high winds, hail, freeze, frost, tornadoes, flooding and lightning that occurred January 1, 2012 through May 11, 2012.**

Additionally, **effective August 29, 2012**, the United States Department of Agriculture designated the entire state

of Michigan, which includes 83 counties, as a primary natural disaster area.

The counties were designated as natural disaster areas **for damages and losses due to draught and excessive heat that began March 1, 2012, and continues.**

The disaster designation makes available low interest (2.125%) loans to farm operators in the designated area. Farm operators who suffered a 30% loss in crop production caused by the weather conditions and meet other eligibility requirements may qualify for Emergency (EM) loan assistance from FSA.

Emergency loan funds may be used to:

- Restore or replace essential property;
- Pay all or part of production costs associated with the disaster year;
- Pay essential family living expenses;
- Reorganize the farming operation; and
- Refinance certain debts.

All emergency loans must be fully collateralized. Producers can borrow up to 100 percent of actual production or physical losses, to a maximum amount of \$500,000. Loans for crop, livestock, and non-real estate losses are normally repaid within 1 to 7 years; depending on the loan purpose, repayment ability and collateral available as loan security. In special circumstances, terms of up to 20 years may be authorized. Loans for physical losses to real estate are normally repaid within 30 years. In certain circumstances, repayment may be made over a maximum of 40 years. The current annual interest rate for emergency loans is 2.125 percent.

The deadline for filing an EM loan application is March 1, 2013 for the June disaster designation and April 29, 2013 for the more recent August designation.

For more information farm operators should contact their local FSA office or the Farm Loan Program office in the Traverse City USDA Service Center 231-941-0951

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## **Selected Interest Rates - November 2012**

- Farm Operating Loans - Direct: **1.125%**
- Farm Ownership Loans - Direct: **3.125%**
- Farm Ownership Loans - Joint Financing: **5.000%**
- Limited Resource Loans: **5.000%**
- Farm Ownership Loans - Direct FO Down Payment: **1.500%**
- Emergency Loans: **2.125%**
- Farm Storage Facility Loans:
  - 7 Yr - **1.125%**
  - 10 Yr - **1.750%**
  - 12 Yr - **2.000%**
- Commodity Loans: **1.125%**

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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).