



Adair County News

January 2010

Adair County
USDA Service Center

Adair County FSA
2410 S Franklin St
Kirkville, MO 63501
660-665-3274(phone)
660-665-0266(fax)
www.fsa.usda.gov/mo

Hours
Monday - Friday
7:30 a.m. - 4:30 p.m.

County Committee
David Kittle
Burrell Harris
Frank Collop
Charlene Fisher

County Committee
Meets 1st Wednesday of
each month

Staff
Program Techs
Jennifer Brummit
Lisa Denton
Barb Snyder
Dana Thompson

Co Executive Director
Philip Ayers

Farm Loan manager
Curt Corbett

SURE Signup Underway

Adair County Producers may signup for the 2008 Supplemental Revenue Assistance Payments program (SURE). SURE is for those eligible producers who suffered crop production losses during crop year 2008.

SURE provides crop disaster assistance payments to eligible producers on farms that have incurred crop production or crop quality losses. The program takes into consideration crop losses on all crops grown by a producer nationwide. SURE provides assistance in an amount equal to 60 percent of the difference between the SURE farm guarantee and total farm revenue. The farm guarantee is based on the amount of crop insurance and Non-insured Crop Disaster Assistance Program (NAP) coverage on the farm. Total farm revenue takes into account the actual value of production on the farm as well as insurance indemnities and certain farm program payments. Producers must meet the risk management purchase requirement by either obtaining a policy or plan of insurance, under the Federal Crop Insurance Act or NAP coverage, for all economically significant crops. For 2008 crops, producers had the opportunity to obtain a waiver of the risk management purchase requirement through a buy-in provision. Producers considered socially disadvantaged, a beginning farmer or rancher, or a limited resource farmer may be eligible for SURE without a policy or plan of insurance or NAP coverage. For SURE, a farm is defined as all crops in which a producer had an interest nationwide. For more information on the new SURE program, please contact this county office.

County Committee Election Results

Congratulations to Frank Collop! Frank was re-elected to represent farmers from Clay, Salt River, and Wilson TOWNSHIPS on the county committee. Frank was elected to his 2nd consecutive term.

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. The committee members held their organizational meeting on January 7th and determined David Kittle will serve as the county committee chairman for 2010.

Commodity Loans

Commodity Loans for crop years 2009 through 2012 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. Beneficial interest means retaining the ability to make decisions about the commodity; responsibility for loss or damage to the commodity; and title to the commodity. Once beneficial interest in a commodity is lost, the commodity is ineligible for loan even if you regain beneficial interest. Commodity loan eligibility also requires you comply with conservation and wetland protection requirements; beneficial interest requirements, report how you use cropland acreage on the farm and ensure that the commodity meets Commodity Credit Corporation (CCC) minimum grade and quality standards. For commodities to be eligible they must have been produced by an eligible producer, be in existence and in a storable condition and be merchantable for food, feed or other uses as determined by CCC. The quality of the commodity in farm storage must be maintained throughout the term of the loan. Producers do not have to participate in the Direct and Counter-Cyclical Program to be eligible for commodity loans. However, the loan rate will be reduced by 30% if the farm is enrolled in the ACRE (Average Crop Revenue Election) Program. Violating provisions of a marketing assistance loan may trigger administrative actions, such as assessing liquidated damages, calling the loan and denial of future farm-stored loans. The most common violations are removing or disposing of a commodity being used as loan collateral without prior authorization and providing an incorrect quantity certification.

Kansas City Mails 1099-G

Soon, producers who have received payments from FSA should also receive a CCC-1099-G from the Kansas City office. A CCC-1099-G is a report to the Internal Revenue Service about FSA payments made to you 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. If you received a CCC-1099-G, we recommend that you check the amounts shown with those in your records to see that the amounts are correct. You should pay close attention to the information on



the CCC-1099-G for accuracy. We believe refunds will not be reported on the CCC-1099-G, but will be available online from the FSA Financial Inquiries (FSA-FI) web-based database. Program participants with eAuthentication user ID's and passwords can 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. The Debt Collection Improvement Act requires all Federal payments to be offset for all delinquent Federal debt. Beginning in Aug. 2009, all FSA payments were sent to the Department of Treasury. Therefore, if a producer's ID number matched the delinquent Federal debt, the Department of Treasury will make an offset of the FSA payment. Producers may still see \$1 or more payment from FSA when these offsets occur, but a letter from Treasury should also be received explaining the offset. If you have any questions on payments received, refunds you have paid or other questions regarding your CCC-1099-G, contact your local FSA office. If you choose to visit the office, please bring your CCC-1099-G with you.

Foreign Buyers Notification

The Agricultural Foreign Investment Disclosure Act (AFIDA) requires all foreign owners of U.S. agricultural land to report their holdings to the Secretary of Agriculture. The Farm Service Agency administers this program for USDA. All individuals who are not U.S. citizens, and have purchased or sold agricultural land in the county are required to report the transaction to FSA with 90 days of the closing. Failure to submit the AFIDA form (FSA-153) could result in civil penalties of up to 25 percent of the fair market value of the property. County government offices, realtors, attorneys and others involved in real estate transactions are reminded to notify foreign investors of these reporting requirements.

Controlled Substance



Any person who is convicted under federal or state law of a controlled substance violation could be ineligible for USDA payments or benefits. Violations include planting, harvesting or growing a prohibited plant. Prohibited plants include marijuana, opium, poppies and other drug producing plants.

Special Accommodations

Special accommodations will be made upon request for individuals with disabilities, vision impairment or hearing impairment. If accommodations are required, individuals should contact the county FSA office staff directly or by phone.

Power of Attorney

For those who find it difficult to visit the county office personally because of work schedules, distance, health, etc., FSA has a power of attorney form available that enables you to designate another person to conduct your business at the of-

fice. If you are interested, please contact our office or any Farm Service Agency office near you for more information.

Bank Account Changes

Current policy mandates that FSA payments be electronically transferred into your bank account. In order for timely payments to be made, producers need to notify the FSA county office if your account has been changed or if another financial institution purchases your bank. Payments can be delayed if the FSA office is not aware of updates to your account and routing numbers.

Appeal Process

After an FSA official makes a decision on your request for USDA services or application, you will be sent a letter informing you of the decision and options you can pursue if you disagree. Generally, program participants have three choices — an informal review with the original agency decision-maker, an opportunity for mediation and finally an appeal to the next level of authority within the agency.

FSA Signature Policy

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, where spouses may not sign on behalf of each other for partnerships, joint ventures, corporations or other similar entities. Individual signatures are also required on certain Farm Loan Program and Farm Storage Facility Loan documents. For more clarification on spousal signature authority, feel free to contact your local FSA office.

Customer Statement

January signals the beginning of a new year, and a time to start thinking about filing taxes. Producers who have signed up for a USDA eAuthentication Level 2 account will be able to access their farm data via their Customer Statement. The Customer Statement puts a range of USDA services and programs into a single report that's at your fingertips and available online, 24 hours a day, seven days a week. It allows USDA customers to view their participation, application and payment status in various commodity and conservation programs, information on farm loans, and conservation plan and land unit information. After initiating your Level 1 on your home computer, stop by this office and we will set up your Level 2 account.

AGI and Actively Engaged

USDA has finalized a Memorandum of Understanding with the Internal Revenue Service to establish an electronic information exchange process for verifying compliance with the adjusted gross income (AGI) provisions for farm programs. Written consent will be required from each producer or payment recipient for the tax review process. No actual tax data will be included in the report that IRS sends to USDA. This agreement will ensure that payments are not issued to producers whose AGI exceeds certain limits. The limits set in the 2008 Farm Bill are \$500,000 nonfarm average AGI for commodity and disaster programs; \$750,000 farm average AGI for direct payments; and \$1 million nonfarm average AGI for conservation programs. Participants in CCC programs subject to average AGI rules **must annually certify their eligibility to receive benefits** by either submitting a statement from a certified public accountant or an attorney, or by completing form CCC-926.

Help Available to Stressed Farmers

In the past year, the economy, inclement weather, drought and other factors have hurt many farming operations around the country. These events pushed some farmers to the emotional breaking point. Watching their livelihood being threatened is difficult for farmers and ranchers and especially for those who care about them. The National Suicide Prevention Hotline is available to help. If you know a farmer or rancher who is under stress and is reluctant to ask for help, or if you just need to talk to someone, call 1-800-273-TALK (8255). Your call will be routed to the crisis center nearest you, where trained staffers are available 24/7. This nationwide service is free and confidential. Help is just a phone call away. For more information, go to <http://www.suicidepreventionlifeline.org/>. This service is not affiliated with the US Department of Agriculture.

USDA Rural Development is Accepting Applications for Home Purchase Program


USDA Rural Development is accepting applications for the 502 Direct Home Purchase program. This is a 100 percent mortgage program that *may* include most closing costs. The program is designed to give families earning a lower income a chance at homeownership that would not otherwise qualify for a mortgage with a traditional lender. The applicant does need to meet the eligibility criteria of not having the necessary 20% down to obtain credit at a bank or mortgage company and not currently own adequate housing at the present time. Some additional criteria include income guidelines, acceptable credit history and adequate repayment ability.

The interest rate for January 4.875 percent for 33 years (in some cases, up to 38 years). Rural Development housing programs help families and individuals in rural areas improve their economic security through affordable home loans and homebuyer education opportunities. In most cases Rural Development home loans may be made without a down payment. Loans are typically made for 33 years at a *fixed* interest rate. Monthly payment assistance may also be available for those who qualify depending on an applicant's income - monthly payments may be based on an interest rate as low as 1 percent.

The Rural Development staff will assist applicants in calculating their adjusted family income and assist with the application process. Eligibility for assistance is based on family income and varies by county. To qualify for this program, the *adjusted* family income must not be *more* than the low income limit (see income table below). The maximum loan limit is \$140,600. This loan can be used for an existing home or new construction. The house does have to meet RD guidelines for structural soundness. Rural Development can provide additional information on those guidelines as well.

For more information, please contact Connie Johnson or LouAnn Rongey at the USDA Rural Development Office located at 2410 South Franklin in Kirksville MO 63501 or by phone at (660) 665-3274 X115.

	1 person	2 persons	3 persons	4 persons	5 persons
Adair	26,800	30,650	34,450	38,300	41,350
Knox, Putnam	25,650	29,300	33,000	36,650	39,600
Schuyler, Scotland					
Sullivan					




ARMS: AGRICULTURAL RESOURCE MANAGEMENT SURVEY


ARMS is the USDA's primary source of information on the production practices, resource use, and economic well-being of America's farm households.

Your participation in ARMS ensures that decisions affecting you, your family, your business, and your community are based on the facts, straight from the source.

CONSIDER: Just about every Federal policy and program that affects U.S. farmers and farm families is based on this information.



United States
Department of
Agriculture



National
Agricultural
Statistics Service

For more information visit
www.nass.usda.gov
or call (800) 727-9540

BETTER DATA = BETTER DECISIONS

Selected Interest Rates for January 2010	
90-Day Treasury Bill	0.125%
Farm Operating Loans — Direct	2.875%
Farm Ownership Loans — Direct	4.75%
Limited Resource Loans	5.00%
Farm Ownership Loans — Direct Down Payment, Beginning Farmer, Rancher or Socially Disadvantaged	1.50%
Emergency Loans	3.75%
Farm Storage Facility Loans 7-yr.	2.875%
Farm Storage Facility Loan 10-yr.	3.375%
Farm Storage Facility Loan 12-yr.	3.750%
Commodity Loans 1996-Present	1.375%

Dates to Remember	
January 18	Martin Luther King Jr. Day – Offices Closed
February 28	NAP Sales Closing Date - Rice
March 15	NAP Sales Closing Date - Forage & Spring-seeded Crops
Continues	Farm Storage Facility Loans
Continues	Continuous Conservation Reserve Program

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