



# NEWSLETTER



## Missoula & Mineral County FSA Office

### WINTER NEWS

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Missoula, MT 59808

406-829-3395 phone  
406-829-3455 fax  
www.fsa.usda.gov/mt

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

**County Committee Members:**  
Paul Hanson  
Bob Schroeder  
Jody Wills  
Denley Loge  
Ray Rugg

**Next County Committee Meeting:**  
**Date/Time**  
**March 15, 2011**  
**(10:00AM)**

Agricultural Lending Opportunities  
Questions regarding obtaining credit to start or enlarge a farming or ranching operation; financing agricultural operating expenses; or livestock, machinery purchases call:  
406-676-2811

**Reasonable Accommodations:**  
Persons with disabilities who require accommodations to attend or participate in any FSA programs should contact the County Executive Director at the FSA Office or the Federal Relay Service at 1-800-877-8339.

## COC Election Results

The results of the recent County Committee (COC) Election are in for Missoula and Mineral Counties. Paul Hanson and Denley Loge were re-elected to the committee. Congratulations to Paul and Denley and thanks to everyone who took part in the election.

## Changing Banks

Almost all Farm Service Agency payments are made electronically using Direct Deposit. To keep the system running smoothly, it's critical to keep the county office staff up to date on changes you might make in your financial institutions. If you have changed accounts or institutions that might affect the direct deposit of your FSA payments, contact the FSA county office so we can update our files to insure continued uninterrupted service.

## 2009 Supplemental Revenue Assistance Payments Program (SURE) Signup Set from Jan. 10 to July 29, 2011

The 2008 Farm Bill created several new disaster programs. One of the programs, the Supplemental Revenue Assistance Payments Program (SURE), provides financial assistance for crop production and/or quality losses due to a natural disaster. SURE is a total farm revenue disaster program as opposed to the crop disaster programs of previous years, which were primarily production oriented programs. Therefore, all crops that a producer has an interest in are not only evaluated as to the production loss and quality, but revenue as well.

To be eligible for SURE a producer must have at least a 10 percent production loss on a crop of economic significance; a policy or plan of insurance under the Federal Crop Insurance Act or the Noninsured Crop Disaster Assistance Program (NAP) for all economically significant crops; and have a farming interest physically located in a county that was declared a primary disaster county or contiguous county by the Agriculture Secretary under a Secretarial Disaster Designation.

Without a Secretarial Disaster Designation, individual producers may be eligible if the actual production on the SURE farm is less than 50 percent of the normal production on the SURE farm due to a natural disaster.

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.

**PAYMENTS** - SURE will issue payments to an eligible producer in the amount equal to 60% of the difference between the program guarantee and the total farm revenue. SURE will pay up to 90% of the crop's normal production on the farm. If you meet the guidelines of the program in 2009, i.e. a 10% production loss (associated with adverse weather) on one crop of economic significance and crop insurance (CAT/NAP) purchased on all 2009 crops (other than the exceptions previously explained), contact the county FSA office as soon as possible. Signup for 2009 crops begins January 10, 2011 and ends on July 29, 2011.

## 2011 DCP Signup

Enrollment for the 2011 Direct and Counter-cyclical Program (DCP) has begun and will continue **through June 1, 2011**. The Farm Service Agency (FSA) urges producers to make use of the eDCP automated website to sign up, or producers can visit the FSA office to complete their 2011 DCP contract. Eligible producers receive direct payments at rates established by statute regardless of market prices.

## The ACRE Option of DCP

The Average Crop Revenue Election Program (ACRE) provides a safety net based on state revenue losses and acts in place of the price-based safety net of counter-cyclical payments under DCP. A farm's payment is based on a revenue guarantee calculated using a 5-year average state yield and the most recent 2-year national price for each eligible commodity. The June 1, 2011, deadline is mandatory for all ACRE and DCP participants. FSA will not accept late-filed applications. An ACRE payment is issued when both the state and the farm have incurred a revenue loss. In exchange for participating in ACRE, a farm's direct payment is reduced by 20 percent, and marketing assistance loan rates are reduced by 30 percent. The decision to enroll in the ACRE Program is irrevocable. The owner of the farm and all producers on the farm must agree to enroll in ACRE. Once enrolled, the farm shall be enrolled for that initial crop year and will remain in ACRE through the 2012 crop year.

## 1099-G is in the Mail

Producers who have received payments from FSA are also receiving a CCC-1099-G in the mail. A CCC-1099-G is a report to the Internal Revenue Service regarding FSA payments made to producers during the previous calendar year. The CCC-1099-G is a service to help participating producers report taxable income. When the CCC-1099-G is received, it should be checked with your records to see that the amounts are correct. It is not intended to replace the program participant's responsibility to report income to the IRS.

**ATTENTION: Refunds are no longer reported on the 1099-G, but will be available online from the FSA Financial Inquiries (FSA-FI) web-based database.**

Program participants with an eAuthentication 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.

If you have a question concerning the 1099-G refund information, you may contact your local FSA office for assistance locating the correct payment data.

## Livestock Indemnity Program

The Livestock Indemnity Program (LIP) provides assistance to eligible livestock owners and contract growers for eligible livestock deaths in excess of normal mortality due to adverse weather including losses due to floods, blizzards, disease, wildfires, extreme heat, and extreme cold. **For 2011 losses, producers must file a notice of loss** the earlier of either 30 calendar days of when the loss of livestock was apparent to the participant or October 31, 2011. A notice of loss can be reported to the office by phone, fax, or e-mail. Eligible livestock deaths must have occurred in the calendar year for which benefits are being requested.

## LIVESTOCK INDEMNITY PROGRAM CONTD:

An Application for payment may be filed at any time in 2011, but must be filed no later than 30 calendar days after the end of the calendar year in which the loss of livestock occurred. Please contact the office for additional eligibility requirements. A list of eligible livestock is available at [www.fsa.usda.gov/mt](http://www.fsa.usda.gov/mt).

## Non-Insured Crop Disaster Assistance Program (NAP) coverage deadlines for 2011 Crop Year

The Non-Insured Crop Disaster Assistance Program (NAP) was designed to provide financial assistance to producers of non-insurable crops when low yields or prevented planting occurs as the result of natural disasters. Statutes limit NAP coverage to each commercial crop or agricultural commodity (except livestock), for which the catastrophic (CAT) level of insurance is not available. The application and sales closing deadline for 2011 NAP coverage is **March 15, 2011**, for all NAP crops other than value loss and honey. Producers who choose to obtain NAP coverage for 2011 must file a CCC-471 application for coverage and pay the applicable service fee by the sales closing deadline. Eligible producers must pay a service fee of \$250 per crop per administrative county or \$750 per producer per county, not to exceed \$1875 for a producer with farming interests in multiple counties. Service fees may be waived for limited-resource producers.

For the 2011 crop year it is imperative that producers purchase either NAP or a catastrophic (CAT) level of crop insurance for all insurable and non-insurable crops. This is not only for production coverage, but also for eligibility for the new permanent disaster programs created in the 2008 Farm Bill.

In order for producers to be eligible for assistance under the Supplemental Revenue Assistance (SURE) Program and the Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP), and the Tree Assistance Program (TAP), producers must obtain a plan of insurance for each insurable and non-insurable commodity on the farm, **excluding grazing**. To be eligible for assistance under the Livestock Forage Disaster Program (LFP), producers must obtain either coverage under the Pasture, Rangeland, and Forage Rainfall Index pilot Program offered through crop insurance, or NAP coverage, or both on their grazing.

## CRP General Signup announced for March 14 to April 15, 2011

General signup for the Conservation Reserve Program (CRP) will begin on March 14, 2011, and continue through April 15, 2011. During the signup period, Montana farmers and ranchers may offer eligible land for CRP's competitive general signup at their county Farm Service Agency (FSA) office.

## **Farming Operation Changes**

If you have bought or sold land, or if you have added or dropped rented land from your operation, make sure you report the changes to the office as soon as possible. You need to provide a copy of your deed or recorded land contract for purchased property. 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. Update signature authorization when changes in the operation occur. Producers are reminded to contact the office of a change in operations on a farm so that records can be kept current and accurate.

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

## **Secretary Vilsack reappoints Montana FSA State Committee**

U.S. Secretary of Agriculture Tom Vilsack has reappointed Montana's Farm Service Agency State Committee members to a second one-year term. The State Committee consists of Steve Carney, of Scobey, chair, and members Floyd Dahlman, of Forsyth, Kelly Flaherty-Settle, of Canyon Creek, Hans C. McPherson of Stevensville and Patricia A. Quisno, of Fort Belknap. The five-member State Committee consists of farmers and ranchers throughout the state who serve as a board of directors for FSA statewide. FSA, with headquarters in Bozeman, administers disaster assistance, commodity, price support, conservation and farm loan programs under the 2008 Farm Bill to farmers and ranchers across Montana through its 49 county offices. The State Committee's 2011 meeting schedule is Feb. 15-16; April 11-12, June 8-9, Aug. 8-9, Oct. 12-13 and Dec. 12-14. For more info, please call FSA'S State Office at (406) 587-6872

## **IRS Form 1099-G**

Each year producers receive 1099-G forms from the Commodity Credit Corporation (CCC) detailing payments producers have received from the CCC. CCC's annual report of program payments on the 1099-Gs help our customers report taxable income. It is not intended to replace the producer's own responsibility to report income to the IRS. FSA staff cannot interpret IRS regulations or advise producers about which payments to report on their income tax returns. However, county office staff can review payments for accuracy.

## **FSA Spousal 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 the local FSA office.

## **Continuous CRP**

The Continuous Conservation Reserve Program allows participants to enroll acreages in conservation practices that will reduce soil erosion, improve water and soil quality and provide wildlife habitat and food sources.

Continuous CRP program participation is voluntary. Eligible landowners enter into contracts that range from 10 to 15 years in length. In return, the landowners will receive annual rental payments, incentive payments for certain activities, and cost share for establishment. For more information on Continuous CRP enrollments or local Conservation Reserve Enhancement Program (CREP) availability, please contact your local FSA office or visit the website <http://www.fsa.usda.gov/paspublications/facts/html/crpcont03.htm>

## **CCC-927 or CCC-928 Must Be Sent To IRS**

Producers who participated in 2009 or 2010 programs subject to adjusted gross income limitations (AGI) had to certify compliance with AGI rules. The average AGI verification process for 2009 and 2010 payment eligibility requires all program participants to provide written consent to IRS for the disclosure of certain information to FSA.

On October 6, 2010, a letter was mailed to producers who have not submitted:

CCC-927: "Consent to Disclosure of Tax Information-Individual Form"

CCC-928: "Consent to Disclosure of Tax Information-Legal Entity"

Individuals and legal entities, including members of legal entities, that certified to average AGI compliance for 2009 and/or 2010 payment eligibility must submit a completed CCC-927 or CCC-928 to IRS regardless of whether they received program benefits directly or as a member of a joint operation or entity. These forms must be submitted to IRS in order to avoid a demand for refund of program payments and benefits received.

**Missoula/Mineral County FSA**  
**3550 Mullan Rd Ste 106**  
**Missoula, MT 59808**



**PRESORTED STANDARD**  
**U.S. POSTAGE PAID**  
**Bozeman, MT 59715**  
**PERMIT #54**

<b>Selected Interest Rates - February 2011</b>	
Conservation Loan	4.750%
Farm Operating - Direct	2.250%
Farm Ownership - Direct	4.750%
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	1.500%
Emergency-Actual Loss	3.750%
Farm Storage Facility - 7-year	2.750%
Farm Storage Facility - 10-year	3.375%
Farm Storage Facility - 12-year	3.625%

<b>Dates to Remember</b>	
February 21	USDA Service Centers closed for Presidents Day
March 14	CRP General Sign-up Begins
March 15	NAP Sales Closing Date for All Other Crops except Value-Loss and Honey
April 15	CRP General Sign-up Ends
June 1	2011 DCP & 2011 ACRE Programs Filing Deadline
July 29	SURE Sign-up Deadline for 2009 Crop Year

**LINKS:**

- <http://www.usda.gov>
- <http://www.fsa.usda.gov/MT>
- <http://www.rurdev.usda.gov/mt/>
- <http://www.mt.nrcs.usda.gov>
- <http://www.dnrc.state.mt.us/>
- <http://extn.msu.montana.edu>
- <http://www.bitterrootrcd.org/>
- <http://bitterrootconservationdistrict.net/>

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