



NEWSLETTER



February 2011

Humboldt/Lander County FSA Office

MaryAnn McDermett

County Executive

Director

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www.fsa.usda.gov/nv

Hours

Monday – Thursday

7:30 a.m. – 5:00 p.m.

Friday

7:30 a.m. – 4:30 p.m.

State/County Staff

Carolyn Persinger

Farm Loan Chief

(775) 784-5411 ext. 110

Katie Nuffer

State Program Specialist

Denise Cerri

Donna Harrer

Program Technicians

Micki Wines

Farm Loan Officer

(775) 738-6445 ext. 105

County Committee

Chairman:

Fred Wilkinson

Vice-Chair:

Debbie Hummel

Members:

Susan Kern

Theresa Marvel

Christina Wohle

Minority Advisor:

Arlo Crutcher

Meetings are held the

second Tuesday of the

month at 10:00 a.m.

(subject to change)

SURE – 2009 and Later

The Supplemental Revenue Assistance Program (SURE) provides benefits for farm revenue losses due to natural disasters. **SURE sign up for crop year 2009 losses runs from Jan. 10 to July 29, 2011. Deadlines for 2010 and 2011 crop years will be announced later.**

To be eligible for SURE payments, a producer is required to obtain crop insurance on all crops in all counties or, if crop insurance is not available, to participate in the Non-Insured Assistance Program (NAP) except for grazed acreage. This requirement does not apply for crops that are not of economic significance or where the administrative fee required to purchase NAP coverage exceeds 10% of the value of the crop coverage.

Eligible farmers and ranchers who meet the definition of Socially Disadvantaged, Limited Resource, or Beginning Farmer or Rancher are exempt from the risk management purchase requirement.

The following conditions are required to 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, or 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.

Note that due to the need to wait for end of year market price data to make SURE final calculations, SURE assistance payments lag the crop year's end by one full year.

2011 DCP Signup

Enrollment for the 2011 Direct and Counter-cyclical Program (DCP) has begun and will continue through June 1, 2011. USDA urges producers to make use of the eDCP automated website to sign up, or producers can visit any USDA Service Center to complete their 2011 DCP contract.

USDA computes DCP Program payments using base acres and payment yields established for each farm. Eligible producers receive direct payments at rates established by statute regardless of market prices. For 2011, eligible producers may request partial direct payments as an advance on the total amount.

Adjusted Gross Income

USDA has 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 from the IRS to verify AGI compliance will be required from each producer or payment recipient. No actual tax data will be included in the report that IRS sends to USDA.

The agreement ensures 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 submit form CCC-927 (Individual) and/or CCC-928 (Legal Entity) to the Internal Revenue Service by June 15. These forms may be obtained from local FSA and NRCS offices or online at:

<http://forms.sc.egov.usda.gov/eforms/mainservlet>.



Sorghum Checkoff Referendum Scheduled



USDA will conduct a referendum on the Sorghum Checkoff Program Feb. 1-28, 2011, at local Farm Service Agency (FSA) offices. Ballots may be obtained in person, by mail or facsimile at county FSA offices, or via the Internet at www.ams.usda.gov/sorghumpage.

Any eligible person engaged in the production or importation of sorghum from July 1, 2008, to December 31, 2010, is eligible to participate. Individuals are required to provide documentation such as a sales receipt or remittance form that shows they engaged in the production or importation of sorghum.

Sorghum Checkoff is a national, coordinated, self-help marketing program designed to strengthen the position of sorghum in the market place, maintain and expand existing domestic and foreign markets and uses for sorghum, and develop new markets and uses for sorghum.

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.

Conservation Loan Program

The Conservation Loan (CL) Program provides farmers with the funding necessary to implement NRCS approved conservation

measures on their land. The available limit for a direct CL is \$300,000, and the limit for a guaranteed CL is \$1,119,000.

The Natural Resources Conservation Service (NRCS) will work with applicants to develop a conservation plan containing approved conservation practices. Examples of some conservation practices are: water conservation structures, forest cover, permanent pastures, manure digesters and other installations.

For more information on a potential Conservation Loan, call the local FSA office and make an appointment with your farm loan officer.

Actively Engaged

USDA has amended the rules that govern the requirements to be 'actively engaged' in farming. These rules apply to eligibility for payments under the Direct and Counter-cyclical Program (DCP) or Average Crop Revenue Election (ACRE) program administered by FSA.

Normally the stockholder or a member of a legal entity **must** make contributions of active personal labor and/or active personal management for the farming operation. The contributions are to be performed on regular basis, must be identifiable, and separate from the contributions of others.

The exception to this rule for a stockholder or member of a legal entity only occurs when both of the following apply:

- At least half of the interest in the legal entity is held by stockholders or members who are providing active personal labor or active personal management; and
- The total direct payments received by the legal entity and each of the members does not exceed \$40,000.

Farm Loan Programs

The Farm Service Agency is committed to providing family farmers with loans to meet their farm credit needs. If you are having trouble getting the credit you need for your farm or ranch, direct and guaranteed loans are currently available.

Ask your lender about an FSA loan guarantee if you've had a setback and your lender is reluctant to extend or renew your loan.

Farm Ownership loans or Farm Operating loans may be obtained as direct loans for a maximum of up to \$300,000. Guaranteed loans can reach a maximum indebtedness of \$1,119,000. Producers are encouraged to apply early so that a loan can be processed and funded in a timely manner.

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FSA employees will help you complete the necessary application and other forms, and help you understand what information is required, where to find it or who to contact to get it. To find out more about FSA loan programs, contact the county office staff.



Farm Storage Facility Loan

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 is \$500,000. Participants are required to provide a down payment of 15 percent. 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 CCC borrows from the Treasury Department.

Payments are available in the form of a partial disbursement and the remaining final disbursement. The partial payment will be available after a portion of the construction has been completed. The final payment will be made when construction is completed. The maximum amount of the partial disbursement will be 50 percent of the 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.**

Eligible commodities for the FSFL program that are produced in this area include: **hay, wheat, barley and corn.**

For more information about FSFL please visit your FSA county office or www.fsa.usda.gov.



Helping People Help the Land...

Information for Farmers, Ranchers, and Other Agricultural (Ag) Producers

Farmers, Ranchers, and other conservation-minded agricultural producers rely on NRCS for assistance through conservation programs and technical information to help them protect the natural resources on their land. Your local USDA Service Center can help you plan and install the best conservation practices for your land. Ag producers also work with our partners, locally led Conservation Districts, who strive to increase voluntary conservation practices among farmers, ranchers and other land users.

For more information on NRCS programs and opportunities visit the NRCS Web-site at www.nrcs.usda.gov or call your local NRCS office at (775) 623-5025 ext. 101.



Photo courtesy of USDA Natural Resources Conservation Service

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PRESORTED STANDARD
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Selected Interest Rates for February 2011	
90-Day Treasury Bill	0.125%
Farm Operating - Direct	2.250%
Farm Ownership – Direct and Conservation Loan	4.750%
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	1.500%
Farm Storage Facility (7 Year)	2.750%
Farm Storage Facility (10 Year)	3.375%
Commodity Loans 1996-Present	1.250%



Dates to Remember	
Feb. 21	Presidents' Day – office closed
June 1	DCP Filing Deadline
June 15	Deadline for filing acreage report on all corn and grain crops
July 15	Deadline for filing acreage report on all other crops including grazing
July 29	2010 SURE Filing Deadline

USDA is an equal opportunity provider and employer.