



NEWSLETTER



FEBRUARY 2012

Benton County Farm Service Agency

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Prosser, WA 99350
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Office Hours

Mon – Fri 8:00 a.m. – 4:30 p.m.

County Committee

Carl Anderson, Chair
David Roseberry, Vice Chair
Jeff Freepons, Regular Member
Teresa Engbretson, Advisor

Office Staff

Dennis Simmelink, CED
dennis.simmelink@wa.usda.gov
Bonnie Anderson, PT
Teresa Johnson, PT

Next COC Meeting

March 14, 2012 @ 9:00 AM

Dates to Remember

- Feb 20 – President's Day (Office Closed)
- Mar 12 – Apr 6; General CRP Signup
- Mar 15 – NAP & FCIC sales closing date for spring planted crops
- June 1 – SURE application deadline
- June 1 – DCP/ACRE application deadline
- June 30 – Acreage reporting deadline

More Information may be found at <http://www.fsa.usda.gov/wa>.

2012 COC ELECTION RESULTS

David Roseberry was re-elected to a three year term to the County Committee and Teresa Engbretson as the first alternate in LAA #2 which encompasses the southwest portion of the county. We would like to thank the candidates for their willingness to run as well as those who took the time to vote. The committee organizational meeting was held in January.

CRP GENERAL SIGNUP ANNOUNCED

FSA will conduct a four-week Conservation Reserve Program (CRP) general signup beginning on March 12 and ending on April 6. Approximately 12,000 acres will be expiring on September 30 which means Benton County will have ~ 17,000 acres eligible for enrollment before the 25 percent cropland acreage cap is met. Of the total acreage expiring this year, 4,247 acres are 'continuous' signup acreage which means they more than likely will automatically qualify for re-enrollment. The Environmental Benefits Index (EBI) will once again be used to rank eligible contract acreage. Please contact the county office for additional details.

2012 DCP/ACRE SIGN-UP

2012 Direct and Counter-Cyclical

Program (DCP) enrollment began January 23 and ends June 1, 2012. Contrary to previous years, no advance payments will be available this year.

IMPORTANT REMINDERS

- All producers with a crop share interest on DCP base acres must have a share in program payments.
- Changes on the farm before or after enrollment must be reported immediately; e.g. owner and operator changes along with changes in crop shares.
- No changes are allowed after September 30, 2012 for the current crop year.

Items you will need to have with you during your appointment include any of the above mentioned changes; planting dates of your crop, and 2011 production records if you participate in ACRE. Please call when you are ready for an appointment as Teresa is accepting signups along with acreage certifications.

SURE PROGRAM SIGN-UP

The deadline for producer to submit applications for 2010 crop year Supplemental Revenue Assistance Payments Program (SURE) is June 1, 2012. The application and all required documentation must be on file and signed by close of business on that day.

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The SURE program provides benefits for crop losses due to eligible weather related disaster conditions affecting crops grown from 2008 through 2011 crop years. A farmer or rancher is eligible for the program when a disaster designation has been made for their county or when actual production is less than half of the normal established production. Producers who suffer eligible losses must have crop insurance or a Non-insured Crop Disaster Assistance Program policy for all crops of economic significance to be eligible for SURE benefits. Socially disadvantaged, limited resource, or beginning farmers and ranchers are exempt from the insurance linkage requirement.

ACREAGE REPORTING DEADLINE

Producers who wish to maintain eligibility for the following programs need to file an acreage report with our office by June 30:

- Conservation Reserve Program (CRP) participants
- Direct and Counter-Cyclical Payment Program (DCP) & Average Crop Revenue Election (ACRE) participants
- Wheat, feed grain, honey & wool producers who wish to maintain eligibility for price support loans and Loan Deficiency Payments (LDP's)
- Noninsured Crop Disaster Assistance Program (NAP) participants
- FSA disaster programs including the Supplemental Revenue Assistance Payments (SURE) program for **2011 crop losses**.

Planting dates are needed for the crops being reported. Please make note of your planting dates, and have them with you when you come in to file your acreage report.

Late-file acreage reports require a fee for a farm visit.

Program data is now shared between FSA and RMA, so it is critical that the data provided to FSA and to crop insurance agents match. **Errors can lead to ineligibility for FSA programs, and/or lack of insurance coverage. Review your filed report carefully before signing.**

NEW AGI FORMS REQUIRED FOR 2012 PARTICIPANTS

FSA and NRCS program participants, including all members of participating entities, must meet certain Adjusted Gross Income (AGI) requirements to qualify for benefits. Starting for the 2012 crop year, a new AGI form has been developed that both reports whether an applicant or member meets the AGI requirements, and authorizes the IRS to confirm that information for FSA.

The new form also reflects an additional AGI limitation applicable only to 2012 direct payments. In addition to the \$500,000 average nonfarm AGI and the \$750,000 average farm AGI limitation, a \$1 million average AGI limitation will be applicable for 2012 direct payments.

New this year, most power-of-attorney authorizations will not work for this form. The form will have to be signed by the participant or entity member themselves. IRS will not accept FSA power-of-attorney forms. These new AGI

forms are available today from your county office or on the FSA internet site.

NON-INSURED CROP LOSS COVERAGE (NAP)

Producers may now purchase catastrophic crop loss coverage for Noninsurable 2012 spring planted crops under the Noninsured Crop Disaster Assistance Program (NAP). The cost of the coverage will be \$250 per crop, not to exceed \$750 per producer, per County. **The application closing date is March 15** for most spring planted crops. Producers interested in this program should call our office for an appointment to apply.

PAYMENT LIMITATION – ANNUAL NOTICE

Producers participating in certain FSA programs are subject to limitations on the total annual payments that can be received. Under the 2008 Farm Bill, payments are limited by direct attribution. The maximum amount persons or entities can receive per year are: Direct payments - \$40,000; Counter-Cyclical/ACRE payments - \$65,000; SURE, LFP, LIP, and ELAP - \$100,000 combined; TAP - \$100,000; NAP - \$100,000; CRP and CREP rental/incentive payments - \$50,000; GRP - \$50,000; LDP and market loan gains - unlimited. With ACRE participation, the direct payment limitation will reflect a 20 percent direct payment reduction. The DCP CC/ACRE payment limitation will then be increased by the direct payment reduction amount.

The following provisions apply to certain programs: 1) actively engaged in farming, 2) cash rent tenant, 3) foreign person, and 4) average adjusted gross income (AGI). No program benefits will be provided until all required forms are filed and determinations are complete. Producers determined not actively engaged in farming are ineligible for any payment which requires such a determination. Determinations may be initiated by COC or requested by a producer.

All payment eligibility forms are subject to spot check through the end-of-year review process. Producers selected for spot check must provide adequate documentation to support: inputs used to determine contributions to the farming operation were significant; contributions were at risk and were commensurate with claimed shares of the farming operation; applicable "common attribution" determinations were correct; land ownership was accurately reported when the landowner rule was used; the producer was in compliance with applicable AGI limits; and any other factors pertinent to the original determinations are substantiated.

Statute requires that entities earning program benefits that are subject to limitation provide members' names, addresses, and tax identification numbers to COC. After 2009, a farm operating plan is not required to be filed annually if the farming operation continues to be conducted as reflected on the operating plan and supporting

documents are on file in the County Office. If any changes occur that could affect the determinations, producers must timely notify the County Office by filing revised forms and applicable supporting documentation.

AGI noncompliance, either by exceeding applicable limitations or failure to submit a certification statement, will result in ineligibility for all program benefits subject to AGI provisions. Program benefits to legal entities shall be reduced by an amount that is commensurate with the direct and indirect interest held by ineligible members

AGI CERTIFICATIONS 2009 - 2010

Producers who received another letter concerning Adjusted Gross Income (AGI) for 2009 and 2010 need to complete the CCC-931 form enclosed with the letter. The completed form should be returned to the FSA national office, as indicated in the letter. Overpayment notifications for those producers not returning these forms will soon be coming. Do not delay responding to any letter received regarding missing forms or debts due related to any AGI. We generally do not receive a copy of the letter sent to you so providing us a copy of your letter when you contact us would greatly help us help you.

FOREIGN PERSONS MUST REPORT U.S. AG LAND HOLDINGS

Foreign persons with an interest in U.S. agricultural lands are

reminded to report holdings and transactions to the Secretary of Agriculture. Any foreign person who acquires, transfers, or holds any interest, other than a security interest in ag land in the U.S. is required by law to report the transactions no later than 90 days after the date of the transaction.

Foreign investors must file Agricultural Foreign Investment Disclosure Act (AFIDA) reports with the FSA county office that maintains reports for the county where the land is located. Failure to file a report, filing a late report, or filing an inaccurate report can result in a penalty with fines up to 25 percent of the fair market value of the agricultural land.

For AFIDA purposes, ag land is defined as any land used for farming, ranching, or timber production, if the tracts total 10 acres or more. Disclosure reports are also required when there are changes in land use. Please feel free to contact the county office if you have any questions.

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