



**UNITED STATES
DEPARTMENT OF
AGRICULTURE**

*FARM SERVICE AGENCY
CHATHAM COUNTY
COMMITTEE*

Royce Webster - Chairman
Doris Thomas - Vice Chair
Craig Bray - Member
Claudia A Austin – CED
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OFFICE HOURS

**Monday through Friday
8:00 am to 4:30 pm**

Farm Service Agency

**Chatham County Farm Service Agency
Newsletter**

DECEMBER 2006



COUNTY COMMITTEE ELECTION

Voters in the townships of Baldwin, Cape Fear, New Hope, Oakland-Haw River, and Williams (LAA3) recently elected the following:

Royce Webster– COC member
Clarence Durham– First Alternate to COC
Paul Bright – Second Alternate to COC

Congratulations to the elected members and a thank you to all voters who chose to participate in electing the County Committee.

OFFICE CLOSING

The Chatham County FSA Office will be closed, Monday, December 25, in observance of Christmas Day.



The Chatham County FSA Office will be closed, Monday, January 1, in observance of New Year's Day.

The Chatham County FSA Office will be closed, Monday, January 15, in observance of the birthday of Martin Luther King, Jr.

DIRECT & COUNTER CYCLICAL PROG

Signup has begun for the 2007 Direct & Counter Cyclical Program (DCP). In January the county office will be mailing postcards to producers who own farms eligible for this program. **When you receive your postcard regarding sign up, please call the office to set up an appointment to complete the DCP contract for the 2007 crop year.** Applications with missing signatures obtained after June 1 but before September 30, 2007 will be assessed a late-filed fee of \$100.00 per contract. All farm owner and operator changes should be reported to the county office. Please inform the office if you have dropped or added a farm, sold or purchased lands, have landowner changes, or have address changes so we may correct your records. **Producers must sign the DCP contract by June 1, 2007.**

Changing Accounts, Banks?

Almost all Farm Service Agency payments are made electronically these days, using Direct Deposit. The switch has cut down on the number of missing and late payments and reduced the time required to move funds. Did you know the chances of having a problem with a payment are 20 times greater with checks than with Direct Deposit? Or, that Direct Deposit can be made within 48 hours? 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've made any changes in accounts or institutions that might affect the direct deposit of your FSA payments, contact us so we can update our files.

HOLIDAY WISHES

The Chatham County FSA Committee and Office staff would like to thank all our farmers for their cooperation this year. We would also like to wish everyone a very Merry Christmas and a Happy and Healthy New Year!

Official Business



CLEARED OR ADDED LAND

All program participants must meet highly erodible land/wetland conservation requirements to be eligible for USDA benefits. USDA benefits include payments such as disaster, DCP, and producer tobacco buyout payments. It also includes commodity loans, crop insurance, and direct and guaranteed farm loans. An ounce of prevention is worth a pound of cure. Land that will be cleared should have a wetland determination from NRCS *BEFORE* clearing. If a producer inadvertently clears an area that is considered wetland, then that producer could be ineligible for all USDA benefits on any land they own or operate. Converting wetlands to cropland/pasture use is a violation of swampbuster provisions. Land which is newly cleared or is added land to a farming operation must have an erodible land determination AND an approved conservation plan by NRCS *BEFORE* the crop is planted. Once the crop is planted in violation, it is too late to be in compliance for the calendar year.

New Sales and Use Tax Form

Farmers will need an exemption number from the N.C. Department of Revenue to take advantage of sales tax exemptions that are available to farmers on certain agricultural supplies. This represents a significant change from the way farmers have claimed the exemption in the past. This is a completely new way of administering the agricultural exemptions, and farmers need to be sure and contact the N.C. Department of Revenue to apply for an exemption number. Without this number, farmers will have to pay the regular sales tax rate on exempt items, which could be a costly oversight. Under the exemption, farmers are taxed at a rate of only 1 percent for farm machinery, with a maximum of \$80 per item. Some items, such as feed, seed and fertilizer, are completely exempt from sales tax. In the past, farmers could claim the exemption by filling out an "agricultural certificate" that a vendor would keep on file. No exemption number was required. An application for an exemption number can be obtained from the NC Department of Revenue by calling 877-252-3052 and requesting Form E-595EA, or by using the website: <http://www.dor.state.nc.us/downloads/sales.html>

NON-INSURED ASSISTANCE PROGRAM

Non-Insured Assistance Program (NAP) will be available for the 2007 crop year to producers for individual crop losses. NAP provides financial assistance to producers for losses on crops that are not insurable and the loss is caused by a natural disaster. To apply for NAP coverage you must file an application for coverage, CCC-471, and pay

the service fee and these actions must be taken by the crop application closing date. The service fee is \$100 per crop not to exceed \$300 per producer per county. The closing dates are:
January 1: Beets, Broccoli, Cabbage, Carrots, Cauliflower, Celery, Chives, Cilantro, Greens, Kale, Lettuce, Onions, Potatoes, Rutabega, Spinach, Turnips.

February 28: Artichoke, Asparagus, Basil, Beans, Brussels Sprouts, Cantaloupes, Cucumbers, Eggplant, Honeydew, Millet, Okra, Peanuts, Peas, Peppers, Popcorn, Pumpkins, Radishes, Squash, Sunflowers, Sweet Corn, Sweet Potatoes, Tomatoes, Watermelons.

SMILE OF THE WEEK

With Christmas quickly approaching, a husband told his wife that he wanted to buy a new power boat. Adamantly opposed to the idea, the wife argued with her husband for days about the purchase. Finally, inspiration struck, and the husband told his wife, "Listen, I really want this boat, so let's make a deal. If you let me buy it, I'll let you name it." "Fine," said the wife. Surprised that his wife finally agreed, the man quickly went out and purchased the boat, parking it in his driveway. The next day he went out to look at it, and noticed that his wife had already painted the new name on it: For Sale.