



February 2007

Daviess County News

**Daviess County
USDA Service Center**

Daviess County FSA
209 Ash Street
Gallatin, MO. 64640
660-663-3703 (phone)
660-663-3697 (fax)
www.fsa.usda.gov/**

Hours
Monday - Friday
7:45 a.m. - 4:30 p.m.

County Committee
Sandra Chrisman
David Cox
Keith Harpster

County Committee meets
3rd Thursday at 8:00 AM

Staff
Teresa Akers, FLO
Patricia Barnett, PT
Denise Dixon, PT
Glynis Dotson, PT
Beth Strein, PT

Farm Loan Manager
Michael Harwood

County Director
Kirby Payne

1099-G Mailed from Kansas City

During the last week of January, producers who have received payments from FSA should have also received 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 in calendar year 2006. 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. Refunds will no longer be reported on the 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.

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. If you choose to visit the office, bring your CCC-1099-G with you.

County Committee Meetings

The three-member Daviess County Farm Service Agency committee meets once a month. The committee has established 8:00 a.m. on the third Thursday of each month as its regular meeting time and the Daviess County FSA office as its meeting place.

We will post a notice on the county office bulletin board if the committee must reschedule

the time or place of its next meeting. County committee members are:

Chairperson Sandy Chrisman, LAA 2
Vice Chairman, Keith Harpster LAA 3
Member, David Cox, LAA 1

FSA Spot Checks

All member information (CCC-501s) and payment eligibility (CCC-502s) are subject to spot check through our end-of-year review process. If selected for a spot check, producers will be asked to submit proof of their contribution to the operation such as seed, fertilizer and chemical bills, land lease agreements, land contracts or property tax payments, equipment lists, cancelled checks for paid labor or hired management, and any other items the FSA County Committee determine are necessary.

The producer is required to provide these items for the spot check so that the FSA county committee can make a determination that the farming operation is actually being performed as was stated on the applicable CCC-501 or CCC-502 that was originally completed.

Annual DCP Enrollment

To participate in DCP, producers are required to designate shares and sign the Direct and Counter-Cyclical Program Contract (CCC-509) on a yearly basis. The annual DCP sign-up period runs from October 1 to June 1 of the applicable program year. To be considered enrolled timely, the CCC-509 must be submitted by June 1 of the applicable program year. In cases where a farm is reconstituted, all resulting

farms will need to enroll (signatures obtained) if the producers intend to participate. CCC-509s with signatures obtained after June 1, but by September 30, will be accepted, but the farm will be assessed a late-filed sign-up fee of \$100. All supporting documentation, such as CCC-502, AD-1026, and CCC-526, must be submitted before payments can be issued. Annual acreage reports indicating uses of all cropland on a farm must be filed by the applicable established reporting dates. Acreage reports filed after the applicable final reporting date may be accepted if all requirements are met and a late-filed fee is paid.

DCP payments are calculated by taking 85 percent of the base acres, multiplied by the farm yield, times the applicable payment rate, times the producer share. Producers may receive and advance of the direct payment, beginning on December 1 of the program year. Final direct payments will be made on or after October 1 following the contract period. Counter-cyclical payments may also be authorized for one or more covered commodities, depending on the projected and actual market prices. Producers may elect to receive up to two counter-cyclical payments per year: (a) the first partial payment, if any, is available after the first six months of the marketing year, and (2) final payment, if any, is made after the end of the marketing year for each eligible crop. Producers who do not elect to take the first advance payments will receive the entire counter-cyclical payment at the end of the marketing year. The amount of a counter-cyclical payment is dependent upon the average of the actual prices received by farmers during the marketing year.

Conservation Compliance

All participants in USDA programs are required to have a conservation system in place on all the highly erodible land (HEL) that they operate. Several areas where problems can arise with complying with a conservation system are; renting new cropland, purchasing new land, breaking out additional cropland, planting different crops such as soybeans, and changing or removing existing conservation practices.

It is very important that you contact the FSA office before doing any of the above. Also, it is very important that you contact our office before modifying - tiling, draining, dredging,

filling, or leveling - any wetland or drainage ditch. Failure to obtain advance approval for any of these situations can result in loss of all Federal payments and eligibility.

What is Continuous CRP?

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

Eligible landowners enter into 10- to 15-year contracts in return for receiving annual rental and perhaps maintenance, incentive and cost share payments.

To be eligible, participants and acreage must meet certain requirements. If eligibility requirements are met, the Farm Service Agency will automatically accept enrollments of acreage into Continuous CRP. Landowners may enroll in the program at any time during the year.

For more information on Continuous CRP enrollments, please contact the county office staff or visit

<http://www.fsa.usda.gov/FSA/webapp?area=home&subject=copr&topic=crp>.

NAP Coverage Deadline

March 15 is the deadline date for producers to apply for Noninsured Crop Disaster Assistance Program, or NAP, coverage using Form CCC-471, Application for Coverage, and pay the service fee at the county office. The application and service fee must be filed by March 15, the application closing date for 2007 spring seed crops along with vegetables.

The service fee is \$100 per crop per county or \$300 per producer per county. The fee cannot exceed a total of \$900 per producer with farming interest in multiple counties. Limited resource producers may request a waiver of service fees.

To qualify, a producer must be a landowner, tenant or sharecropper who shares in the risk of producing an eligible crop.

Direct and Guaranteed Loans Available

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 regularly borrow from FSA, direct and guaranteed loans are available now.

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.

Loan funds are available now — applying early is important so that a loan can be processed and funded in a timely manner.

Most of our loan programs have special funding available for minority, female and beginning farmers.

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.

Wool & Mohair Loans or LDPs

Wool and mohair producers will find applying for commodity loans and loan deficiency payments for the wool, mohair and unshorn pelts a little simpler this year thanks to the Farm Service Agency's new CCC-633 EZ form.

The EZ form will take the place of the older CCC-633 PELT and CCC-709 PELT forms. Page one of the EZ form takes the place of the 709 PELT form and indicates the producer's intention to receive LDP benefits later on. It's important to complete EZ page one before losing beneficial interest in the commodity.

Producers should complete page one of the EZ form as soon as possible for their current crop year wool, mohair and unshorn pelts. After page one is completed, producers can request benefits at any time during the period that loans or LDPs are available, before or after losing beneficial interest.

Grain growers also use the CCC-633 EZ. Once page one is on file, grain producers can complete page two at a later date when they want to apply for an LDP.

The CCC-633 EZ simplifies requests for LDPs for wool, mohair and unshorn pelts. Page four of the revised EZ form is specifically for wool and mohair producers to request an LDP.

Real Estate for Sale

The Farm Service Agency's Inventory Property Web site provides an online guide to government-owned real estate and potential foreclosure sales information, which includes farm/ranch properties, houses, lots and buildings. Purchase preferences are given to beginning farmers who have operated a farm or ranch for more than three years, but not more than 10 years; this requirement also applies to all members of an entity.

The site provides access to detailed information about each of the properties and links to other USDA Web sites providing a variety of services. Lenders are welcome to use this Web site as a resource by visiting:

<http://www.resales.usda.gov>.

Bank Account Changes?

As of Jan. 1, 1999, all Farm Service Agency payments are supposed to be electronically transferred into your bank account. In order to make timely payments, you need to notify the office if you close your account or if another financial institution purchases your bank. Payments can be delayed if we are not aware of changes to your account and routing numbers.

Record Changes

If you have bought, sold or are renting different land, make sure you report the changes to the Farm Service Agency office as soon as possible after they occur.

For farm ownership changes you will need to provide a recorded deed or recorded land contract. Failure to maintain accurate records with FSA on all land you have an interest in can lead to possible program ineligibility and fines if you are participating in our program.

Selected Interest Rates for February 2007	
90-Day Treasury Bill	5%
Farm Operating Loans — Direct	5%
Farm Ownership Loans — Direct	5.125%
Limited Resource Loans	5%
Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher	4%
Emergency Loans	3.75%
Farm Storage Facility Loans	4.625%
Commodity Loans 1996-Present	6%

Visit our Web site at
http://www.fsa.usda.gov/**

Dates to Remember	
Feb 19	Office Closed – Washington’s Birthday
Continues	Farm Storage Facility Loans
Continues	Grasslands Reserve Program

Facts or Opinions?

Which would you choose to make decisions?

Make the facts known to agriculture’s leaders. If asked, please respond to USDA’s Agricultural Resource Management Survey.



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