

USDA NEWS

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Hours

Monday-Friday
7:00a.m. – 4:30 p.m.

County Committee

Daniel Warning
Doug Lay
Dale Stice
Linda Rutledge—Advisor

County Committee meets
the 2nd Thursday of the
month at 8:00 AM.

Staff

Mary Ann Evans
Pam Hunolt
Lisa Logsdon
Randy Scoggin
John Wheeler—CED

District Director

Tom Balsler
Shelby County

Farm Loan

Kurt Shelangoski
Clark/Lewis County

2007 DCP Sign-up Underway

The annual sign-up for the Direct and Counter-Cyclical Program will continue through June 1, 2007. Farm producers must sign a new DCP contract (CCC-509) each year on every participating farm they own or operate prior to receiving any payment. Advance payments are available beginning in December.

The CCC-509 contract includes base acres, payment acres, payment yields, producer payment shares, advance direct and counter-cyclical payment selections. All owners and operators on the farm must sign the CCC-509.

The following documents are required to be submitted or on file before the county committee can approve a producer's share for payment: an average adjusted gross income certification (CCC-526); a certification of compliance with highly erodible land and wetland conservation provisions (AD-1026), and payment eligibility forms.

Producers can "opt out" of participating in the DCP for any year without jeopardizing participation in future years.

DCP Advance Payment Changes

On February 8, 2006, the President signed the Agricultural Reconciliation Act of 2005 into law which provides modifications to the DCP advance direct payment percentage for the 2006 and 2007 crop years. **For contracts enrolled for the 2007 contract year, the requested advance payment rate will be 22%.** However, the total direct payment will not be affected.

County Committee Election Results (COC)

The election of agricultural producers to the FSA County Committee is important to all farmers and ranchers. County Committees are a direct link between the farm community and the U.S. Department of Agriculture. We encourage you to get to know your county committee. Information and input gathered from the county committee is used in program development and implementation. The newly elected COC member representing townships Lyon, Dickerson, and Highland is Dale Stice. Thanks to all who participated.



Report of Payments to Producers

A summary of all earned payments during the 2006 calendar year will be mailed to you during the last week of January 2007.

The Kansas City processing office will send your payment statement on form CCC-1099G.

County office personnel cannot provide tax advice regarding issued payments, so please contact your personal tax consultant or the IRS regarding those questions.

Prescribed Burns On CRP Acres

If you intend to burn CRP acres this spring be sure to request a burn plan from NRCS. The burn plan gives you a detailed directive on how to properly conduct a burn on your acres. Obtaining a burn plan is required if you intend to burn CRP acres. Contact either Nate Goodrich or Justin Evans for more details.

Commodity Loans & LDP's

To be eligible for commodity loans and LDP's, you must comply with conservation provisions; report cropland acreage on the farm; have beneficial interest in the commodity on the date the loan or LDP is requested and, in the case of a loan, retain beneficial interest while the loan is outstanding; and ensure that commodity meets CCC minimum grade and quality standards.

For commodities to be eligible for loans or LDP's, they must have been produced by an eligible producer, be in existence and in a storable condition and be merchantable for food, feed or other uses as determined by CCC. The quality of the commodity in farm storage must be maintained throughout the term of the loan.

For farm-stored grain, the borrower is responsible for maintaining the storability and quality of the commodity.

Violating provisions of the loan and LDP program may trigger administrative actions, such as assessing liquidated damages, calling the loan and denial of future farm-stored loans and LDP's. The most common violations are removing or disposing of a commodity without prior authorization and providing an incorrect quantity certification.

The loan rates for Lewis County are as follows:

Corn = \$2.00/bushel

Soybean = \$5.16/bushel

Wheat = \$2.67

County Office Conducts Eligibility Review

Over the next couple of months, our office will be conducting an in-depth review of the documents used to support producer eligibility. The review is the Agency's effort to ensure the accuracy of all payments made. This process takes great attention to detail and more time. As a result, some payments may not get to you as quickly as in the past.

You can assist with this process by contacting your local office before dropping in to sign-up for programs or request program payments. Although the eligibility reviews may consume more time of the county office employees, FSA remains committed to outstanding customer service and timely distribution of payments to producers.

CRP Participants Receive Offers

Some producers with current CRP contracts have been contacted by private businesses and banks with discounted lump sum offers to 'buy-out' their CRP contracts. Producers are cautioned to investigate these offers thoroughly before signing any paperwork that transfers the remaining payments to someone else.

Continuous CRP

The Continuous Conservation Reserve Program is a private lands environmental improvement program that allows participants the opportunity to enroll acreages in conservation practices that will reduce soil erosion, improve water and soil quality and provide wildlife habitat and food sources.

The Continuous CRP program is a voluntary enrollment program. Eligible landowners enter into contracts that range from 10 to 15 years in length. In return, the landowners will receive annual rental and maintenance payments, incentive payments for certain activities, and cost share for establishment. Landowners may enroll in the program at any time during the year. Contact our office if you have any questions.

Farm Record Changes

Failure to keep FSA records updated can result in the loss of benefits and a refund of payments already received

If you have bought, sold or are renting different land, make sure you report the changes to the staff at your local FSA office as soon as possible so farm records can be updated.

If your legal status has changed from an individual to a trust or other entity such as a LLC, please provide the new tax ID names, numbers and a copy of written signature authority so payments can be correctly issued. For farm ownership changes, owners will need to provide a copy of the recorded deed or land contract.



JANUARY SELECT INTEREST RATES

- ◆ Farm Operating-Direct 4.375%
- ◆ Farm Ownership Direct 5.125%
- ◆ Limited Resource 5.00%
- ◆ Farm Ownership-Direct Down Payment or Beginning Farmer 4.00%
- ◆ Emergency 3.75%
- ◆ Farm Storage Facility 4.625%
- ◆ Commodity Loans 6.0%

Payment Limitation/Eligibility

USDA payments and benefits are subject to producer eligibility and payment limitation provisions as defined by law.

Payment Limits:

<u>Program</u>	<u>Annual Limitation</u>
Rental Payments (CRP)	\$50,000.00
Direct Payments (DCP Program)	\$40,000.00
Counter-Cyclical Payments (DCP Program)	\$65,000.00
Loan Deficiency Payments	\$75,000.00

Eligibility:

To receive any FSA payment, no matter what the amount, the payee must be determined “actively engaged” in farming by contributing a mixture of land, capital, equipment, labor, and management, depending on the type of farming operation involved. Entities such as corporations, limited partnerships, trusts, limited liability companies, and estates are required to provide the names, addresses, and ID numbers of their members.

It is the producer’s responsibility to report changes in the operation which may affect their eligibility or a limitation.

Attention : Husbands and Wives

A husband and wife may sign documents of 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 from either spouse. Husbands and wives, like other entities, who have “official” joint ventures or partnerships must have a power of attorney on file to sign for the entity.

DATES TO REMEMBER

Jan 15
Offices Closed
Martin Luther King Birthday

Feb 19
Offices Closed
President's Day

- Ongoing
- ◆ Update Farm Changes.
 - ◆ Farm Facility Loans.
 - ◆ Direct and Counter-Cyclical Signup.
 - ◆ Wheat, Barley and Other Small Grain Crops Reporting. Deadline is June 30, 2007.

Visit our Web site:
<http://www.fsa.usda.gov/mo>

Farm Service
Agency



Farm Divisions-Designation by Land Owner

A farm division becomes necessary when a change occurs in the ownership or operation of a part of a farm. These are the methods for dividing a farm:

- ◆ Estate
- ◆ Designation by Landowner
- ◆ DCP Cropland (applicable to base acres for tract divisions only)
- ◆ Default (applicable to base acres for farm divisions only).

The Designation by Landowner method divides any acreage bases in the manner agreed to by the original farm owner and the new purchaser **prior** to the sale. This method is used when part of a farm or a tract is sold. To use this method, the land that is sold must have been owned for at least three years, and the owner of the parent farm and the purchaser must file a signed written agreement (FSA-155) designating the bases. To be effective for the current fiscal year, the farm division must be requested by the earlier of August 1st of the fiscal year for DCP farms or the date planting begins.

Unauthorized Removal of Grain Under Loan

If grain under loan has been disposed of through feeding, selling or any other form of disposal without prior written authorization from the county office staff, it is considered unauthorized disposition. The financial penalties for unauthorized dispositions are severe and a producers name will be placed on a loan violation list for a two-year period. Always call the office before any loan grain is fed or sold.

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, and marital or family status. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audio-tape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write to USDA, Director, Office of Civil Rights, Room 326W, Whitten Building, 14th and Independence Avenue, SE, Washington, DC 20250-9410 or all (202) 720-5964 (voice and TDD). USDA is an equal opportunity provider and employer.