



JANUARY 2009 YAMHILL COUNTY AG NEWS



YAMHILL COUNTY FSA OFFICE
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County Committee

Zach Christensen, Chairman
Arne Goddik, Vice Chairman
Drenda Bayliss, Member

Office Staff

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Farm Loan

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2009

Direct & Counter-Cyclical Payment (DCP) Farm Program

Signup is underway for the 2009 DCP program. **Contact your local FSA office and set up an appointment to sign up.** There are new forms that will have to be completed with new questions and may have to be filled out at home. **June 1st is the deadline for DCP signup and there are no late file provisions.** For 2009, you may request to receive advance direct payments based on 22 percent of the direct payment.



NEW

ADJUSTED GROSS INCOME (AGI) RESTRICTIONS

To qualify for commodity and disaster programs under the new farm bill, applicants now must adhere to new AGI restrictions. **This form along with a worksheet is being mailed out to all producers who received payments in 2008 prior to sign up to determine eligibility before we start the sign up process.**

The AGI ceiling limitation was reduced from \$2.5 million from all sources to a three-year average **non-farm** AGI of \$500,000. Also, under the new regulations, an individual or entity must have a 3 year average AGI of less than or equal to \$750,000 per year from **farming** income in order to qualify for direct payments issued under the Direct and Counter-cyclical Program (DCP).

For conservation programs, the average non-farm AGI limitation is \$1 million or less for eligibility. However, an individual or entity who has non-farm AGI in excess of \$1 million remains eligible for conservation programs only if 66.66 percent or more of the total AGI is derived from farming, ranching and forestry operations. In addition, the AGI limitation for conservation programs may be waived on a case-by case basis if it is determined that environmentally sensitive land of special significance would be protected.

NEW

PAYMENT LIMITATIONS AND DIRECT ATTRIBUTION



Another change in eligibility is that program payments are limited by direct attribution of payment totals directly to individual's social security number or indirectly to individual's social security number through entities tax ID #.

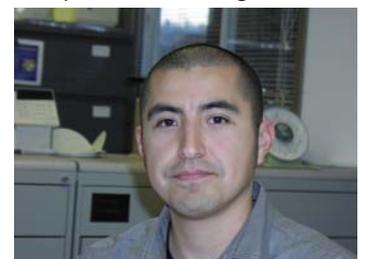
A legal entity is defined as an entity created under Federal or State law that owns land or an agricultural commodity, product or livestock. Through direct attribution, payment limitation is based on the total payments received by the entity and also the individual, both directly and indirectly as an officer, partner or shareholder in an entity. Qualifying spouses are eligible to be considered separate persons for payment limitation purposes, rather than being automatically combined under one limitation.

Also, individuals and entities must be "actively engaged in farming" with respect to a farming operation in order to be eligible for specified payments and benefits. To be "actively engaged in farming", the individual or entity must make significant contributions to the farming operation of: 1) capital, equipment, land, or a combination; and 2) personal labor or active personal management, or a combination (this applies to all members of the entity).

WELCOME

OUR NEW PROGRAM TECHNICIAN SERGIO VILLASENOR

Sergio will be working 3 days a week and will take on the Administrative, Non-Insured Disaster Assistance (NAP), Compliance and the Arc Map programs.



COUNTY COMMITTEE ELECTION RESULTS

Drenda Bayliss was elected to the county committee for area LAA 1 for a three year consecutive term (North of Baker Creek Rd and West of the following Roads: Abbey Rd; Kuehne Rd and North Valley Rd). Drenda has lived in Yamhill County 43 years, 41 of those years on her husband's family century farm. Mike & Drenda have grown Oats, Barley, Clover Seeds, Cattle and tons of hay and participate in the Conservation Reserve Program (CRP). Over the past ten years they have diversified and planted 15 acres of Pinot Noir Grapes.

CROP DISASTER PROGRAM SIGN-UP ENDS FEBRUARY 27



The sign-up period for the 2005-2007 Crop Disaster Program (CDP) will end Feb. 27, 2009. The ending date of Feb 27 applies to the receipt of a signed and completed FSA-840 application along with all supporting documentation and required forms at the applicable county FSA office. Late filed application will not be approved after the Feb. 27 deadline.

EMERGENCY (EM) PHYSICAL LOSS LOAN ASSISTANCE

Effective January 14, 2009 Yamhill county has been declared a natural disaster due to losses caused by freezing temperatures, snow accumulation, and freezing rain that occurred from December 14, 2008 through December 26, 2008.

Emergency loan applications will be accepted through September 15, 2009 for severe physical losses only.

Emergency loan funds may not be used for physical loss purposes unless that physical property was covered by general hazard insurance at the time that the damage caused by the natural disaster occurred. The level of the coverage in effect at the time of the disaster must have been the tax or cost depreciated value, whichever is less. Chattel property must have been covered at the tax or cost depreciated value, whichever is less, when such insurance was readily available and the benefits of the coverage (i.e. the amount of coverage equaling the lesser of the property's tax or cost depreciated value) justify the cost of the insurance. All chattel and all real estate must have been covered by hazard insurance at the time of the disaster, if it was available and cost effective. For chattels only, if the applicant did not have an insurance policy in effect at the time of the disaster, the loan approval official shall determine whether it was readily available, and whether the benefit of the coverage would have justified the cost, had the applicant made efforts to obtain insurance.

Contact Nancy Thompson or Suzanne Hayes at the Hillsboro FSA Office - (503) 648-3174 X2



USDA's Risk Management Agency (RMA)

2009 Crop Year sales closing dates for Multi-Peril Crop Insurance (MPCI)

February 2, 2009 - Final date to obtain or change Adjusted Gross Revenue Pilot (AGR) insurance in Yamhill county. Final date to submit required documents to continue or change 2009 Adjusted Gross Revenue-Lite (AGR-Lite) insurance for EXISTING POLICY HOLDERS.

March 16, 2009 - Final date to obtain 2009 Adjusted Gross Revenue-Lite (AGR-Lite) insurance for NEW APPLICATION/ENROLLMENT POLICIES in Yamhill county. Final date to obtain or change all other spring seeded crop insurance coverage (excluding wheat in counties with fall and spring planted types).

ALL OTHER Spring Seeded Crop insurance coverage (excluding wheat in counties with Fall and Spring planted types). RMA also reminds producers of the important link between Federal crop insurance and Farm Service Agency (FSA) Disaster Assistance programs for the 2009 crop year. To maintain eligibility for FSA's disaster programs, producers must obtain a policy or plan of insurance of at least catastrophic (CAT) level coverage if available. For those crops that are non-insurable, coverage under the Noninsured Crop Disaster Assistance Program must also be timely obtained.

Producers are encouraged to visit with their local FSA office to ensure they are in compliance with the new linkage requirements. If there is no coverage in a county for a specific crop under the traditional MPCI program, producers may ask a crop insurance agent whether they would be eligible for coverage under a written agreement. Producers should contact a local MPCI agent to learn additional program details. A list of crop insurance agents is available at all USDA Service Centers throughout the U.S. or at the website address: <http://www3.rma.usda.gov/tools/agents/>

NON-INSURED DISASTER ASSISTANCE PROGRAM (NAP)



Application closing dates:

March 15, 2009 – Beans, broccoli, cantaloupe, cauliflower, field corn, cucumber, lentils, mustard, peas, potatoes, pumpkin, safflower, sunflower, squash, tomato, watermelon

May 31, 2009 - Buckwheat

IMPORTANT ! - CHANGE IN AMOUNT OF FEE CHARGE ! Effective May 22, 2008 administrative service fees have increased. NAP coverage requires a service fee of \$250 per crop, per producer, with a \$750 cap per county. Out-of-pocket expenses will not exceed \$1,875 for any producer, even if production occurs in multiple counties. Service fees may be waived for eligible limited resource producers.

More information on NAP and other disaster assistance programs is available online at: <http://www.fsa.usda.gov>

YOU **MUST** HAVE NAP AND/OR CROP INSURANCE COVERAGE FOR **ALL CROPS, ALL COUNTIES** IN WHICH YOU HAVE AN INTEREST IN FOR 2009 TO QUALIFY FOR OTHER DISASTER PROGRAMS.

BANK ACCOUNT CHANGES!!



Current policy mandates that FSA payments be electronically transferred into your bank account. In order for timely payments to be made, producers need to notify the FSA county office if your account has been changed or if another financial institution purchases your bank. Payments can be delayed if the FSA office is not aware of updates to your account and routing numbers.



CUSTOMER STATEMENT

It's a new year and time to think about filing taxes. Producer's with USDA eAuthentication Level 2 account will be able to access their farm data via their Customer Statement. The Customer Statement puts a range of USDA services and programs into a single report that's at your fingertips and available online, 24 hours a day, seven days a week. It allows USDA customers to view their participation, application and payment status in various commodity and conservation programs; information on farm loans; and conservation land and land unit information. Contact your local FSA office on how to get started.

PROOF OF OWNERSHIP

An owner is an individual or entity who has legal ownership of farmland, including individuals or entities that are any of the following: 1) buying farmland under a contract for deed; 2) retaining a life estate; 3) purchasing a farm in a foreclosure; 3) spouses owning property jointly. Proof of ownership must be provided when land ownership is transferred. Proof of ownership may include the following: a) copy of deed, if recorded; b) land contract; c) real estate tax assessment or bill.



FOREIGN BUYERS NOTIFICATION

The Agricultural Foreign Investment Disclosure Act (AFIDA) requires all foreign owners of U.S. agricultural land to report their holdings to the Secretary of Agriculture. The Farm Service Agency administers this program for USDA. Foreign persons who have purchased or sold agricultural land in the county are required to report the transaction to FSA within 90 days of the closing. Failure to submit the AFIDA form could result in civil penalties of up to 25 percent of the fair market value of the property. County government offices, realtors, attorneys and others involved in real estate transactions are reminded to notify foreign investors of these reporting requirements.



U.S. DEPARTMENT OF AGRICULTURE
YAMHILL COUNTY FSA
2200 SW 2ND STREET
McMINNVILLE, OR 97128-5444

PRESORTED
STANDARD
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PERMIT NO. 71

Return Service Requested



**IMPORTANT DATES
&
JANUARY & FEBRUARY OBSERVANCES**



Washington

FEBRUARY 16
PRESIDENT'S DAY
OFFICE WILL BE CLOSED



FEBRUARY IS
BLACK HISTORY
MONTH

"The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or a part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, 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 Adjudication & Compliance, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410 or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer."

REVOCABLE TRUSTS

Revocable trusts using a Social Security number (SS#) during the lifetime of the grantor of the trust and while the grantor is serving as the trustee of the trust, use the SS# as the trust's Tax Identification Number (TIN). While the grantor is alive and acting as the trustee there is no need for the trust to file a separate income tax return as the IRS views any income received by the grantor individually. However, on appointment of a different trustee or successor trustee the trust will be required to apply for and use a new TIN and also file its own tax returns under the new TIN.



"Wetland Determination Identifiers" – Producers can educate themselves on this subject with online information found at <http://www.fsa.usda.gov/factsheets> there is a fact sheet you can print out as well as watch a power point presentation, the link is found at the bottom of the fact sheet under "Resources".