



April 2010

Saratoga County FSA News

U.S. Department of Agriculture

Saratoga County FSA
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Hours
Monday - Friday
8:00 a.m. - 4:30 p.m.

County Committee
Albert LaRue, Chairperson
Patricia Wood, Vice Chair
Chris Koval, Reg. Mem.

Staff
Joanne Scoville, PT
Janelle Moore, PT

Loan Manager
Rebecca DeSorbe
518-692-9940 opt. 2

County Executive
Steven A. Ropitzky
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State Executive Director
James Barber
315-477-6303

Next Saratoga County FSA Committee Mtg. - May 4th @ 7 pm.



Adjusted Gross Income

USDA has a Memorandum of Understanding with the Internal Revenue Service to establish an electronic information exchange process for verifying compliance with the adjusted gross income (AGI) provisions for farm programs. Written consent will be required from each producer or payment recipient for the tax review process. No actual tax data will be included in the report that IRS sends to FSA.

The agreement ensures that payments are not issued to producers whose AGI exceeds certain limits. The limits set in the 2008 Farm Bill are \$500,000 nonfarm average AGI for commodity and disaster programs; \$750,000 farm average AGI for direct payments; and \$1 million nonfarm average AGI for conservation programs.

Participants in CCC programs subject to average AGI rules must submit form CCC-927 (Individual) and/or CCC-928 (Legal Entity) to the Internal Revenue Service by June 15 to avoid interruption of program benefits. These forms may be obtained from local FSA and NRCS offices or online at:

<http://forms.sc.egov.usda.gov/eforms/mainservlet>.

DCP/ACRE Signup Continues

Signup for the 2010 Direct and Counter-cyclical Payment (DCP) Program and Average Crop Revenue Election (ACRE) continues until June 1, 2010. FSA will not accept late-filed applications.

FSA computes DCP Program payments using base acres and payment yields established for each farm. Eligible producers receive direct payments at rates established by statute regardless of market prices. For 2010, you may request to receive advance direct payments based on 22 percent of the direct payment for each commodity associated with the farm. Counter-cyclical payment rates vary depending on market prices and are issued only when the effective price for a commodity is statutorily set below its target price. The ACRE Program provides a safety net based on state revenue losses and acts in place of the price-based safety net of counter-cyclical payments under DCP.

For ACRE, a payment is based on a revenue guarantee calculated using a 5-year average state yield and the most recent 2-year national price for each eligible commodity. For 2010, the 2-year price average will be based on the 2008 and 2009 crop years. An ACRE payment is issued when both the state and the farm have incurred a revenue loss. The payment is based on 83.3% (85% in 2012) of the farm's planted acres times the difference between the state ACRE guarantee and the state revenue times the ratio of the farm's yield divided by the state expected yield. The total number of planted acres for which a producer may receive ACRE payments may not exceed the total base on the farm. Participants in ACRE will forego counter-cyclical payments. Also a farm's direct payment is reduced by 20% and marketing assistance loan rates are reduced by 30%. The decision to enroll in the ACRE Program is irrevocable. The owner of the farm and all producers on the farm must agree to enroll in ACRE. Once enrolled, the farm shall be enrolled for that initial crop year and will remain in ACRE through the 2012 crop year.

Acreage Reporting

Acreage reporting time will soon be here. Filing an accurate acreage report for all crops and land uses, including failed acreage and prevented planting acreage, can prevent the loss of benefits for a variety of programs.

Failed acreage must be reported within 15 days of the disaster event and before disposition of the crop. Prevented planting must be reported no later than 15 days after the final planting date.

Acreage reports are required for many Farm Service Agency programs. For crops other than NAP (Noninsured Crop Disaster Assistance Program) crops, acreage reports are to be certified by the June 15th deadline on small grains and a July 15th deadline on all other crops.

Acreage reports on crops for which NAP assistance may be paid are due in the county office by the earlier of June 15th for small grains and July 15th for all other crops, or 15 calendar days before the onset of harvest or grazing of the specific crop acreage being reported. We will be mailing appointment schedules for acreage reporting in the near future so your 2010 crops can be reported in a timely manner. Call us if you don't receive an appointment or want to reschedule.

Selected Farm Loan Interest Rates for April 2010

Farm Operating Loans — Direct	2.875%
Farm Ownership Loans — Direct	5.00 %
Farm Ownership Loans — Direct Down Payment, Beginning Farmer	1.50 %
Emergency Loans	3.75%

Saratoga County Farm Service Agency
50 West High Street
Ballston Spa, N.Y. 12020-0600

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NAP Records & Notice of Loss

Production records for individual crops need to be filed with our office to establish an approved NAP yield. If this is the first year you participated in NAP, you can provide production and acreage information from prior years to establish your yield. If you participated in NAP in previous years, you must report your production and acreage on a yearly basis to keep your yield up-to-date. Records submitted must be reliable or verifiable. Records need to show crop disposition. **All production records must be submitted by the subsequent crop year's final acreage reporting date.**

The CCC-576, Notice of Loss, is used to report failed acreage and prevented planting and may be completed by any producer with an interest in the crop. Timely filing a Notice of Loss is required on for ALL CROPS INCLUDING GRASSES. For losses on crops covered by the Non-insured Crop Disaster Assistance Program (NAP) and crop insurance, you must file a CCC-576 (notice of loss) in the FSA County Office within 15 days of the occurrence of the disaster or when losses become apparent.

If filing for prevented planting, an acreage report and CCC-576 must be filed within 15 calendar days of the final planting date for the crop.

Beginning and Limited Resource Loans

FSA has a program to assist beginning farmers and or members of socially disadvantaged groups to finance agricultural enterprises. Under these designated farm loan programs, FSA can provide financing to eligible applicants through either direct or guaranteed loans. FSA defines a beginning farmer as a person who:

- Has operated a farm for not more than 10 years
- Will materially and substantially participate in the operation of the farm
- Agrees to participate in a loan assessment, borrower training and financial management program sponsored by FSA
- Does not own a farm in excess of 30 percent of the county's average size.

Each member of an entity must meet the eligibility requirements. Loan approval is not guaranteed.

Cold Storage Facility Loans

The Farm Storage Facility Loan program has been amended to allow producers to build cold storage facilities to store their fresh fruits and vegetables. To be eligible, cold storage facilities must have a useful life of 15 years and include:

- New structures suitable for a cold storage facility;
- New walk-in prefabricated permanently installed coolers suitable for storing fresh fruits and vegetables;
- New permanently affixed cooling, circulating and monitoring equipment;
- Electrical equipment integral to the proper operation of a cold storage facility; and must be
- An addition or modification to an existing storage facility.

USDA will not make cold storage facility loans for portable structures, portable handling and cooling equipment, used, or pre-owned structures or cooling equipment or structures deemed unsuitable.

The maximum loan amount for a Farm Storage Facility loan is \$500,000 per loan, which require a down payment of at least 15 percent. Applications must be approved before construction can begin. Loan terms of 7, 10 or 12 years are available depending on the amount of the loan.

Loan applications should be submitted to the administrative FSA county office that maintains the records of the farm or farms to which the application applies. If the commodities are produced on land that does not have farm records established, the application must be submitted to the FSA county office that services the county where the facility will be located.

For more information about programs in your area, contact your local FSA office or log onto <http://fsa.usda.gov> and click New York under State Offices