



Northwest Ohio FSA News July 2008

Newsletter Distribution

This newsletter is distributed to all producers served by Northwest Ohio District Farm Service Agency offices. While the return address for this mailing on the reverse of this newsletter is that of the Wood County Farm Service Agency, producers should contact their servicing county Farm Service Agency office for additional information and program details.

2008 Farm Bill

The Food, Conservation, and Energy Act of 2008 (2008 Act) became law on May 22, 2008. Federal regulations, program policies, and operating procedures are being drafted and developed and will be finalized over the next several months. Producers will be advised of program details as they evolve.

2008 DCP Signup Announced

The 2008 Act provides for continuing the Direct and Counter-Cyclical Program (DCP) for 2008 through 2012. The 2008 DCP signup period began June 25, 2008 and will end September 30, 2008. For 2008, base acres, payment acres, payment yields, payment rates, payment limitations, and planting flexibility will remain the same as the 2007 DCP. For 2008, producers on a farm may not receive direct or counter-cyclical payments if the sum of the base acres on a farm is 10.0 acres or less except if the farm is wholly owned by socially disadvantaged or limited resource producers.

Power of Attorney for 2008 DCP

Producers and landowners who previously executed FSA-211 (Power of Attorney) or other Power of Attorney authorizing an attorney-in-fact to act on their behalf for transactions regarding anything other than the "all current and future programs" option will need to execute a new FSA-211 or other Power of Attorney for the attorney-in-fact to sign 2008 DCP documents.

2008 Crop Reporting Deadline

The 2008 crop reporting deadline has been extended to August 15, 2008 because of the delay in announcing the provisions of the 2008 Farm Bill. NAP crops must be reported no later than 15 calendar days before the onset of harvest.

2008 Farm and Tract Reconstitutions

A reconstitution is the combination or division of farm, tract and crop records due to a land transfer or land acquisition transaction that changes the land constituting a farm. The deadline to request a reconstitution of 2008 farm, tract, and crop records is August 1, 2008. A farm having base acres of 10.0 acres or less can not be combined with another farm unless the owners and shares are identical following a land transfer after May 22, 2008.

2005-2007 Crop Disaster Program (CDP)

The Farm Service Agency is administering a Crop Disaster Program for qualifying 2005, 2006, or 2007 crop year quantity and quality losses. Quantity loss applications have been accepted since last fall. The application period for quality losses began June 23, 2008. The value of the quality-affected production must have been reduced by at least 25 percent compared to the value of the crop had the crop not suffered a quality loss. Producers must have obtained crop insurance from the Risk Management Agency or Noninsured Crop Disaster Assistance Program (NAP) coverage from the Farm Service Agency for the year of the quantity or quality loss to be eligible for benefits. Producers can choose only one year for which to receive benefits.

Supplemental Disaster Assistance

The 2008 Act amended the Trade Act of 1974 to create an agricultural disaster relief trust fund and 5 new supplemental agricultural disaster assistance programs. The Supplemental Revenue Assistance Payments (SURE) Program will be available to assist producers on farms in declared disaster counties when the total loss of production on the farm exceeds 50 percent of the normal production. **To be eligible for the SURE program producers must cover each insurable crop on the farm under a plan of insurance under the Federal Crop Insurance Act and each noninsurable crop under a Noninsured Crop Disaster Assistance Program (NAP) policy. For 2008, producers who do not meet this requirement may have this provision waived by paying a buy-in fee of \$100 per crop not to exceed \$300 per county and \$900 per producer. The fee must be paid at your local FSA office by September 16, 2008. Payment of the buy-in fee does not provide RMA or NAP coverage but does make producers eligible for SURE benefits.**

Livestock and Feed Assistance Programs

The Livestock Compensation Program (LCP) provides compensation to eligible livestock producers who suffered feed losses or **incurred additional feed costs**. The Livestock Indemnity Program (LIP) provides compensation to eligible livestock producers who suffered livestock losses. The programs are available in a county or a contiguous county receiving a presidential or secretarial disaster declaration in calendar years 2005 through 2007. **The signup deadline for both programs is July 18, 2008.**

Estate & Limited Liability Company EIN's

One of the first duties of a personal representative, such as an executor, administrator, etc. of a decedent, is to apply for an EIN number for the estate. The Internal Revenue Service requires that payments issued to a decedent before his or her death be reported on IRS 1099-MISC using the individual's Social Security number. Payments issued after his or her death must be reported on IRS 1099-MISC using the estate's employee identification number (EIN). It is the responsibility and duty of the personal representative to provide the EIN acquired for the estate.

For 2009, IRS will require 1-member limited liability companies (LLC's) to deposit Federal employment taxes under the entity's name and taxpayer identification number (TIN). Before this change, 1-member LLC's were allowed to use their Social Security number for filing; however, the IRS will no longer allow this after FY 2008.

Payment Eligibility/Payment Limitation

All current rules, regulations and operating procedures apply to 2008 programs. The 2008 Act did make changes to the provisions for payment eligibility, payment limitation and the adjusted gross income provision. The majority of the changes will be implemented in 2009 and subsequent years. FSA Offices do not have the exact details of the changes available at this time.

Trust Agreements

Many individual landowners have established trust agreements of various types as a result of an estate planning process. The process usually involves an actual land transfer transaction from the individual owner to the trust entity. These transactions need to be reported to the Farm Service Agency as program documents require the signatures of the current owners of the farm.

NAP Notice of Loss and Appraisals

A notice of loss must be filed within 15 days after the disaster date occurrence or the date damage to the specific crop becomes apparent for production losses. A notice of loss due to prevented planting must be filed within 15 days of the final planting date for the specific crop. Producers are required to file a notice of loss for each disaster occurrence. If a notice of loss has been filed, producers of hand harvested crops are required to notify FSA offices 15 calendar days after harvest is complete and before destruction of the crop so an appraisal of remaining production can be completed.

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WOOD COUNTY
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BOWLING GREEN, OH 43402

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2008 FSA County Committee Election

Farm Service Agency Committees are seeking nominations of individuals to include on the upcoming election ballots. Nominees must have an interest as an owner, operator, or tenant in a farm located in the local administrative area conducting the election. Eligible voters may nominate themselves or any other eligible individual as a candidate. To ensure that individuals within minority, female, and other potentially underrepresented groups are fairly considered for representation on FSA County Committees, local FSA committees encourage nominations of individuals within these groups as candidates for the county committee in the upcoming election. Local committees also encourage females and others to notify the FSA office if land is under joint ownership and FSA records do not reflect all joint owners. This will ensure that voting lists and program participation statistics have an accurate representation of females, minorities, and others.

Ballots containing the names of those nominated to serve on Farm Service Agency county committees will be mailed by the vendor no later than November 3, 2008. Visit your local Farm Service Agency office if you believe you are eligible to vote in the local administrative area for which the election is being conducted and do not receive a ballot. Producers are reminded that they may not vote on behalf of another individual as an attorney-in-fact. Ballots must be returned to the county office or post-marked by December 1, 2008. The date selected by the local FSA office for counting the votes will be on the ballot. The elected committee members and alternates will take office January 1, 2009.

Conservation Reserve Program

The 2008 Act provided for authority to continue the Conservation Reserve Program (CRP) and approved Conservation Reserve Enhancement Programs (CREP's) under previous authorities through September 30, 2008. On October 1, 2008, the years used to determine cropping history for land eligibility purposes will shift from 1996-2001 to 2002-2007. Land must have been planted to an agricultural commodity in 4 of the 6 years within these periods. Additional details affecting the administration of the CRP and CREP for the 2009 program year will be made available after final policy has been developed.

Critical Feed Use of CRP Acres

Because of the increased demand for feed for livestock, USDA had announced that certain acreage enrolled in the Conservation Reserve Program (CRP) would be available for hay and forage after July 15, 2008. This authorization was limited to no more than 50 percent of the acreage of certain, not all, conservation practices. Filter strips were not eligible. On July 8, 2008 a Federal judge granted a Temporary Restraining Order about critical feed use. Critical feed use activity has been suspended and any critical feed use activity conducted during the Temporary Restraining Order will be considered an unauthorized activity, even if the activity has been approved. Producers should contact their local office regarding the current status of the Order before conducting any critical feed use activity.

CRP Conservation Cover Establishment

Producers who were prevented from planting their required conservation cover within the prescribed planting period should contact their local FSA office for available options. Producers should also report failed seeding.

Changing a Farm's Administrative County

Producers can request that the administrative county of a farm be changed if the county to receive the records is both contiguous to the current administrative county and significantly more convenient for the producer to conduct business. Changing the administrative county because of convenience is a one-time option for a producer.

2008 Crop Year Loans and LDP's

The 2008 Act authorizes marketing assistance loans (MAL's) and Loan Deficiency Payments (LDP's) for crop years 2008 through 2012. General provision in effect for the 2007 crop year will remain in effect for the 2008 crop year.

Grain Bin and Grain Storage Facility Loans

Loans are available to producers to install eligible grain storage facilities under the Farm Storage Facility Loan Program. The term of the loan is seven years and a 15 percent down payment is required. The application process does take some time but producers can expedite the process by providing a balance sheet prepared within the last 90 days, a cash flow statement, and copies of tax records for the past 3 years for a financial analysis determination. The July 2008 interest rate is 3.625 percent per annum. The interest rate for the loan is set when the application is approved.

Northwest Ohio FSA Offices

Allen Co. FSA Office	419-223-0010
Defiance Co. FSA Office.....	419-782-4781
Fulton Lucas West Co. FSA Office.....	419-335-6061
Hancock Co. FSA Office.....	419-422-5438
Hardin Co. FSA Office	419-673-7238
Henry Co. FSA Office	419-592-2926
Ottawa Lucas East Co. FSA Office	419-898-2651
Paulding Co. FSA Office.....	419-399-3841
Putnam Co. FSA Office.....	419-523-4871
Seneca Farm Loan Office.....	419-447-7071
Williams Co. FSA Office	419-636-2057
Wood Co. FSA Office	419-352-5171
Van Wert Co. FSA Office	419-238-6780
NW Ohio District Director, Joel Obrecht .	419-352-5171

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Note: This newsletter provides a brief summary of program provisions and is not meant to be all-inclusive. Further information is available at local FSA offices and from FSA's Home Page at www.fsa.usda.gov.