

Colorado

State – Wide September 2012

Trudy KareusState Executive Director

USDA Farm Service Agency Colorado State Office Denver Federal Center Building 56 Room 2760 Denver, Colorado 80225 Ph- 720-544-2876 Fax - 720-544-2966

Dates to Remember

Sept 30, 2012 – NAP Sales Closing Wheat and Barley Sept 30, 2012 – Final Day for CRP Managed Grazing for All Practices and CRP Emergency Grazing on CRP and Wetland Practices

October 1, 2012 – Deadline to Report Number of Acres of CRP Haying and Grazing October 15, 2012 – Final Day to Remove Bales from CRP November 15, 2012 – 2013 Acreage Reporting Deadline for Apiculture, Fall Barley, Perennial Forage, PRF, Fall Wheat, and other Fall-Seeded Small Grains

November 30, 2012 – Final Day for CRP Emergency Grazing on All Other Practices

Immediate - Deadline

File AGI Verification Consent Forms with IRS

All Counties in Colorado have been Designated as a Secretarial Disaster

The entire state of Colorado was declared a disaster due to drought by using the new, streamlined Secretarial Disaster Designation process.

The disaster designation was a direct result of several program improvements announced by Secretary Vilsack on July 11, 2012. The program improvements include a streamlined Secretarial Disaster Designation process that automatically qualifies a disaster county once it is categorized as a severe drought for eight weeks according to the U.S Drought Monitor. Other improvements include a reduced interest rate for emergency loans that lowers the rate from 3.75 percent to 2.25 percent.

All Colorado counties are eligible to apply for low-interest emergency (EM) loans. Emergency loans help producers recover from production and physical losses due to drought, flooding and other natural disasters or quarantine. The current emergency loan interest rate is 2.25 percent.

Producers have eight months from the date of the declaration to apply for emergency loan assistance. Emergency loan applications will be accepted through March 12, 2013, for production and physical losses

2012 CRP Emergency Grazing Extended to Nov. 30

The original Conservation Reserve Program (CRP) emergency grazing deadline of Sept. 30, 2012, was extended to Nov. 30, 2012. The grazing extension will help livestock producers facing forage and feed shortages as a result of drought.

Counties classified as 'D0 - abnormally dry' are eligible for CRP emergency grazing. Producers who take advantage of the emergency grazing extension will not incur an additional CRP rental payment reduction.

This extension only covers general CRP practices. The extension is not authorized for the environmentally sensitive practices of CP8A, Grass Waterway-Noneasement; CP23, Wetland Restoration: CP23A, Wetland Restoration, Non-Floodplain; CP27, Farmable Wetlands Pilot Wetland; CP28 Farmable Wetlands Pilot Buffer; CP37, Duck Nesting Habitat; and CP41 FWP Flooded Prairie Wetlands. If you are unsure of your CRP practice, contact your local FSA office.

Changes to IRS Forms 1099-G and 1099-MISC for Calendar Year 2012

In past years, IRS Forms 1099-G was issued to show all program payments received from the Farm Service Agency, regardless of the amount. For calendar year 2012, the 1099-G reporting will change.

IRS Form 1099-G (Report of Payments to Producers) will only be issued to producers whose reportable payments total \$600 or more for the calendar year. Additionally, if the producer has at least \$600 in reportable payments received from multiple FSA offices, only one Form 1099-G will be issued.

<u>Continue - Changes to IRS Forms 1099-G and</u> 1099-MISC for Calendar Year 2012

Producers subject to voluntary withholding or backup (involuntary) withholding will receive the appropriate IRS form, even if combined payments are less than \$600.

The same changes will apply to producers and vendors who normally receive IRS Form 1099-MISC from FSA.

Any producer who receives less than \$600 in combined payments should consult a tax advisor to determine if these payments must be reported on their tax return.

For more information regarding IRS reporting changes, please contact your local FSA Office.

PRODUCERS MUST REPORT CROP LOSSES TO FSA

Producers must report crop losses resulting from a weather related disaster event within 15 days of the disaster or when the loss first becomes apparent. This includes crops covered by crop insurance, the Noninsured Crop Disaster Assistance Program (NAP) and crops without insurance coverage. Prevented planting must be reported no later than 15 days after the final planting date.

Crop losses are acres that were timely planted with the intent to harvest, but the crop failed because of a natural disaster. It is important that producers file accurate and timely loss reports to prevent the potential loss of FSA program benefits.

Producers who have NAP coverage will be required to report crop losses on an FSA form CCC-576 – "Notice of Loss and Application for Payment Noninsured Crop Disaster Assistance Program".

Change to 2013 Acreage Reporting Deadlines

FSA and the Risk Management Agency (RMA) have streamlined crop acreage certification deadlines to have common reporting dates. Starting in 2013, deadlines are:

- November 15, 2012 Apiculture, Fall Barley, Perennial Forage, PRF, Fall Wheat, and other Fall-Seeded Small Grains.
- January 15, 2013 Apples, Grapes, Peaches
- June 15, 2013 Onions
- July 15, 2013 Spring Barley, Corn, Dry Beans, Fresh Market Sweet Corn, Grain Sorghum, Millet, Spring Oats, Popcorn, Potatoes, Silage Sorghum, Soybeans, Sugar

Beets, Sunflowers, Spring Wheat, and all other crops

Fall seeded small grain crops include all wheat, oats and rye. Perennial forage crops include all forage crops to be hayed or grazed. Contact your county FSA office for an appointment to certify your fall crops or for more information on acreage reporting requirements.

SIGN-UP FOR GOVDELIVERY

The USDA Farm Service Agency offices are moving toward a paperless operation. Producers are asked to enroll in the new GovDelivery system which will provide notices, newsletters and electronic reminders instead of a hard copy through the mail.

FSA, like many other organizations, is trying to work smarter and be more efficient. Moving to electronic notifications via email will help conserve resources and save taxpayer dollars. County Committee ballots will continue to be mailed to all eligible producers.

Producers can subscribe to receive free e-mail updates by going to http://www.fsa.usda.gov/subscribe.

Readers are advised that dates for FSA programs in Colorado are often county-specific. Please contact your local FSA office for detailed information pertaining to your operation.

Selected Interest Rates for February 2012	
(Interest rates are subject to change)	
90-Day Treasury Bill	.125%
Farm Operating Loans — Direct	1.25%
Farm Ownership Loans — Direct	3.00%
Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher	1.50%
Emergency Loans	2.125%
Farm Storage Facility Loans (7 years)	1.375%
Sugar Storage Facility Loans	2.1250%
Commodity Loans 1996-Present	1.125%

Colorado Farm Service Agency

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