

Federal Programs



One Rural Development (RD) program of interest to farmers is the Rural Energy for America Program (REAP). It provides funding for renewable energy systems and energy saving upgrades, with grants up to 25% of project costs and loans up to 75% of project costs. To qualify, 50% of income must be generated by farming.



The Farm Service Agency (FSA) is where farmers obtain Federal Farm and Tract Numbers, which are needed to apply for federal farm assistance programs. FSA also provides subsidized crop insurance for both commodity and non-commodity crops, loans for farm operating costs, and disaster assistance programs after droughts, floods, tornadoes, etc.



The Natural Resource Conservation Service (NRCS) provides financial and technical assistance for farm projects that address natural resource concerns, like erosion. NRCS administers the Environmental Qualities Incentive Program (EQIP) which provides roughly 75% cost-share assistance for projects, like high tunnels, fencing out streams, and grassed waterways in crop fields.

State Programs



NC Dept. of Agriculture

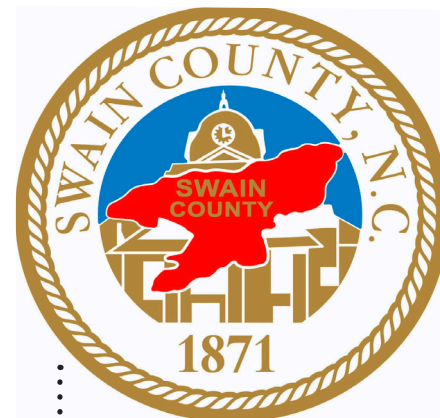


In NC, qualifying farms are exempt from paying state sales tax on inputs and supplies needed for farming. To qualify for the exemption, your farm must generate over \$10,000 yearly in sales of farm products. Beginning farmers who have not yet met this threshold can apply for a conditional exemption for up to three years.



The NC Agricultural Development and Farmland Preservation Trust Fund provides lump sum payments to farmers who are willing to permanently conserve their farmland through conservation easements. Often local land trusts or Soil and Water Conservation Districts “hold” the actual easements and can assist with the application process.

County Programs



County tax departments administer the Present Use Valuation (PUV) tax program, which lowers the tax value of farmland. To qualify, a parcel must generate over \$1,000 of gross income and contain at least five acres of horticultural crops, ten acres of pasture or cropland, or twenty acres of managed forestland.

Soil and Water Conservation Districts (SWCDs) are county, state, and federal partnerships. Many Soil and Water Districts are considered county departments and are responsible for administering state cost-share programs in the county. The Ag Cost Share Program (ACSP) is similar to EQIP but focus on projects that improve water quality. The Ag Water Resources Assistance Program (AgWRAP) provides cost-share for projects that increase water storage on farms, like ponds and wells.