

United States Department of Agriculture

# THINKING ABOUT WORKING WITH NRCS?

### Here's what you need to know.

So you're ready to make some improvements on your land, but you're not sure where to start? The **USDA Natural Resources Conservation Service** may be able to help. NRCS works with farmers, ranchers, tribes and other individuals just like yourself interested in conserving the soil, water and other natural resources on their land.

We help you identify natural resource concerns and develop a conservation plan to address these issues. Funds to implement these plans are made available through voluntary Farm Bill Programs that help diffuse the cost of implementation.

Still Interested? That's great! Below are a few things to think about before applying to NRCS for financial assistance programs.

## Can you answer YES to all the following questions?

If so, then you and your land are eligible to participate in NRCS financial assistance programs.

PRODUCER ELIGIBILITY	YES	NO	LAND ELIGIBILITY	YES	NO
1 Do you have a social security number or employer identification number issued by the IRS?	0	$\mathbf{O}$	<b>1</b> Is your land in agriculture, such as cropland, rangeland, grassland, pasture or non-industrial private forest land?	0	0
2. Can you prove that you have control of your land for the entire span of the proposed NRCS contract? Most programs require a three-to-five year contract. Proof of land control can	0	0	2. Is your land in compliance with Highly Erodible Land and wetland conservation provisions? (If you don't know, check with your local USDA Service Center).	0	0
be a deed, a lease, or another form of evidence of land ownership/control. <b>3.</b> Is your adjusted gross income less	$\bigcirc$		3. If the work you want to do with NRCS involves water, can you prove your water right (may be exceptions for livestock)?	0	0
<ul> <li>4. Do you have signature authority or power of attorney to make</li> </ul>	$\bigcirc$		<b>4.</b> Do you have an interest in the agricultural or forestry operation on your land?	0	0
management decisions on the land? If not, can you obtain written			5. If you irrigate, can you provide documentation showing your irrigation history?	0	0

#### lt's a contract.

It's important to understand that to receive financial payments from NRCS, you are entering into a contract with the U.S. government. That means you agree to complete certain conservation activities on your land within a set time frame to earn financial incentives. We understand that things can happen outside of your control that result in delays, such as a natural disaster; so we may be able to modify the contract if needed. But keep in mind that if contract conditions aren't met, you may be liable for paying back all or a portion of the funding, or your contract may be terminated.

#### You pay up-front, we reimburse you.

NRCS contracts work kind of like a mail-in rebate. You pay the costs up-front for conservation practices, then we issue you a payment after completion. Therefore, it's important to consider your out-of-pocket costs up-front and determine if the proposed project makes financial sense for your operation.

#### Work must take place during the specified contract timeline.

This means you'll need to wait to begin working on a conservation practice until your contract is signed and in place if you want to be reimbursed by NRCS. Most NRCS contracts last for a minimum of three years, and it is required that you have at least one conservation practice commenced during the first year of your contract. NRCS will help you in the planning process to figure out the best schedule for your operation, but keep in mind that the contract will require certain practices to be completed within a specified time frame.

#### Projects must meet NRCS design standards.

Because we want to ensure the conservation projects on your land will perform as intended, NRCS has developed science-based conservation standards for each of the conservation practices. That means when you implement projects on your land, they need to meet NRCS technical specifications. Activities that fall short of these standards will not be reimbursed and may need to be removed or replaced.

#### NRCS must certify the completed work before issuing your payment.

Before we can issue your payment, NRCS staff will need to visit your land, or obtain other proof from you such as documents or photographs, to certify that the conservation practices have been completed according to our conservation standards. Once we certify a practice, you will receive payment via direct deposit.

#### NRCS payments vary depending on the type of conservation practice.

We have set payment schedules that determine what percentage of the cost you will be reimbursed for, depending on the type of work being done. In most cases, you can be reimbursed for 75 to 90 percent of the costs. Check with your local NRCS office to find out more about payment schedules.

#### You are responsible for paying income tax on any NRCS payments.

By law, you must report any payments you receive from NRCS as taxable income when filing your annual income tax return. You may need to consider how this will impact your tax returns. Payments are usually spaced out over multiple tax years.

## You'll be asked to provide your personal information, but it's kept strictly confidential.

NRCS financial assistance programs require you to provide personal, financial, or sensitive information to process your applications, contracts and payments. This information is kept confidential and is protected by USDA.

We realize this is a lot of information to process, and we're here to help. If you have any questions about the above information, feel free to visit your local NRCS field office. We have local staff on hand that can help you through the process.

