



Marketing Assistance for Specialty Crops (MASC)

December 18, 2024

FARM PRODUCTION AND CONSERVATION
FSA | NRCS | RMA | Business Center

MASC Training Agenda

- Welcome
- MASC Sign Up Information
- Eligibility Information
- Application Overview and Documentation
- Payments
- Q & A





MASC Purpose

MASC is designed to aid specialty crop producers with:

- Managing higher marketing costs
- Expanding markets or developing new markets
- Increasing domestic consumption of specialty crops

Application Period



Begins – December 10, 2024



Ends – January 8, 2025



Payment Limitation



Payment limitation = \$125,000 / person or legal entity

Eligibility Information

Eligible Crops

Only the following commercially marketed specialty crops are considered eligible:

- fruits (including dried fruits)
- vegetables (including dry edible beans and peas, mushrooms, and vegetable seed)
- tree nuts
- nursery crops
- Christmas trees
- floriculture
- culinary and medicinal herbs and spices
- honey
- hops
- maple sap
- tea
- turfgrass
- grass seed

Common examples of specialty crops can be found at

<https://www.ams.usda.gov/sites/default/files/media/USDASpecialtyCropDefinition.pdf>

Examples of Ineligible Crops

Crops/Types	Examples
Field and grain crops	amaranth (for grain), barley (including malting barley), buckwheat, corn (other than sweet corn), millet, oats, rice, sorghum, rye
Forage, hay, and cover crops	alfalfa, birdsfoot trefoil, clover, grasses, mixed forage, perennial peanuts, vetch, sunn hemp,
Oilseed crops	camelina, canola, crambe, flax, flaxseed, linseed, soybeans
Other crops	cotton, cottonseed, hemp, kochia (prostrata), lespedeza, milkweed, peanuts, primrose, sugar beets, tobacco, Seed of ineligible crops (other than grass seed)
Intended uses	fallow, forage, grazing, green manure, or left standing
Other agricultural products	aquatic animal species (such as fish and shellfish), dairy products, eggs, livestock products, and tofu.

Eligible Producer

A producer must:

- Be in the business of farming at the time of application
 - An active business operation with assets and resources needed to grow, harvest, and market a specialty crop in calendar year 2025
- Be entitled to an ownership share and share in the risk of producing a specialty crop that will be sold in calendar year 2025

Eligible Producer (continued)

A producer must be one of the following to be eligible:

- Citizen of the United States;
- Resident alien, which for purposes of MASC means “lawful alien” as defined in 7 CFR 1400.3;
- Partnership organized under State law;
- Corporation, limited liability company, or other organizational structure organized under State law;
- Indian Tribe or Tribal organization, as defined in section 4(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304); or
- Foreign person or foreign entity who meets all requirements as described in 7 CFR part 1400.

Ineligible Producer

- Federal, State, and local governments, including public schools as defined in 6-PL
- Persons or legal entities who did not have an ownership interest in an eligible specialty crop
- Persons and legal entities that are not in the business of producing a specialty crop at the time of application
- Ceased operation
 - Examples: deceased producers or dissolved entities

Eligible Sales

Eligible producers will select a year for application purposes. It will be based on their total specialty crop sales for the calendar year.

- 2023 – Actual Sales; or
- 2024 – Actual Sales

- 2025 – Expected Sales (new producers)



Eligible Sales (continued)

Include sales for specialty crops grown in the United States by the producer.

Crops purchased for resale may be included only if there is a change in characteristic due to the time held (for example, a 2-inch plant that was sold as an 18-inch plant after 4 months).

Eligible Sales (continued)

The producer must have received payment for the specialty crop during the applicable calendar year.

Crop insurance indemnities and Noninsured Crop Disaster Assistance Program (NAP) payments for specialty crops for the 2023 or 2024 crop year will be included as payments.

Eligible Sales (continued)

Include sales of **commercially marketed raw specialty crops.**

Note: The portion of the sale derived from adding value to a specialty crop (such as sorting, processing, or packaging) is not included with eligible sales.

Eligible sales examples for processed crops

Example 1: Leonardo is a winemaker that grows grapes to process into wine and does not sell the grapes. In 2023, Leonardo sold wine that used 500 tons of grapes.

Using the NAP National Crop Table price at \$552.50 per ton to determine the portion of sales attributed to the raw unprocessed grapes, his sales would be \$276,250 for the year.

Eligible sales examples for processed crops (continued)

Example 2: Donatello grows cucumbers that are sold to a market as both raw cucumbers and as processed pickles. Total specialty crop sales are derived from the market sale for the raw value of the cucumbers.

Donatello would use the quantity of cucumbers processed into pickles and the price of raw cucumbers sold at the market to calculate the total specialty crop sales of all cucumbers.

Eligible Sales for CSA Operations

Subscription or membership-based service, such as a community-supported agriculture (CSA) operation:

Eligible producers who market their specialty crops through a subscription or membership-based service, such as a CSA model, may include the portion of the membership or subscription fees received for specialty crops in their eligible sales.

Expected Sales: New Producers

New producers may use an estimate of their 2025 calendar year expected specialty crop sales, in lieu of actual 2023 or 2024 calendar year sales.

Expected Sales: New Producers (continued)

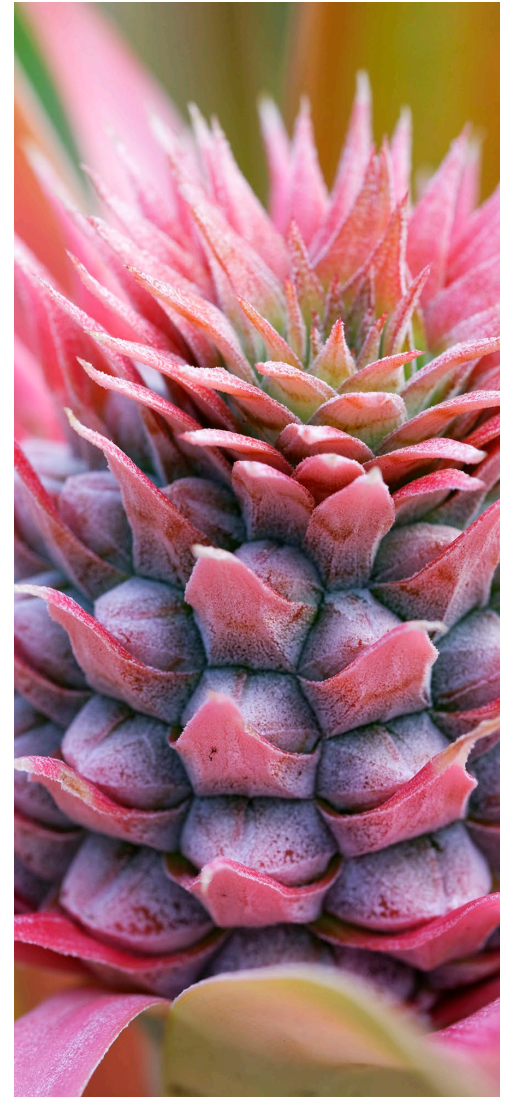
New producer qualifications:

- Began producing specialty crops in 2023 or 2024 but did not have sales due to the immaturity of the crop;
- Began producing specialty crops in 2024 but did not have a complete year of sales; or
- Is beginning to grow specialty crops in 2025.

Expected Sales: New Producers (continued)

Began producing specialty crops in 2023 or 2024 but did not have sales due to the immaturity of the crop

Example 1: Raphael began growing pineapples in 2024; however, the crop will not be ready for harvest and sale until 2025. Therefore, Raphael did not sell any specialty crops in 2024. He has a contract in place for the entire 2025 crop. Raphael would use expected 2025 sales.



Expected Sales: New Producers (continued)

Began producing specialty crops in 2024 but did not have a complete year of sales

Example 2: Shredder LLC started farming near the end of 2024 and planted their first crop of cold season vegetables. They experienced some sales; however, the LLC did not have a full year of sales.

Shredder LLC has a purchase agreement for the crops that will be grown in 2025.

Shredder LLC will use their 2025 expected sales.



Expected Sales: New Producer (continued)

Producer beginning to grow specialty crops in 2025

Example 3: Casey Jones purchased land that included a pecan grove in late 2024. Casey has never commercially produced pecans nor did he have 2024 pecan sales on the land he purchased.

Casey must provide documentation demonstrating the pecan grove will be used and maintained as a commercial operation to be considered an eligible producer. If he meets the eligible producer requirement, then 2025 expected sales may be used.

Expected Sales: New Producer (continued)

A new producer must have one of the following:

- A legally binding sales contract or purchase agreement for the specialty crop; or
- Evidence that, at the time of application, a specialty crop has been planted and is expected to be harvested and sold in the 2025 calendar year.

Expected Sales: New Producer (continued)

Requirements -

- Documentation that demonstrates the producer's ability to achieve the expected sales and their ability to grow, harvest, and market the expected yield or inventory.
- Expected 2025 sales must be based on realistic projections.

Expected Sales: New Producer (continued)

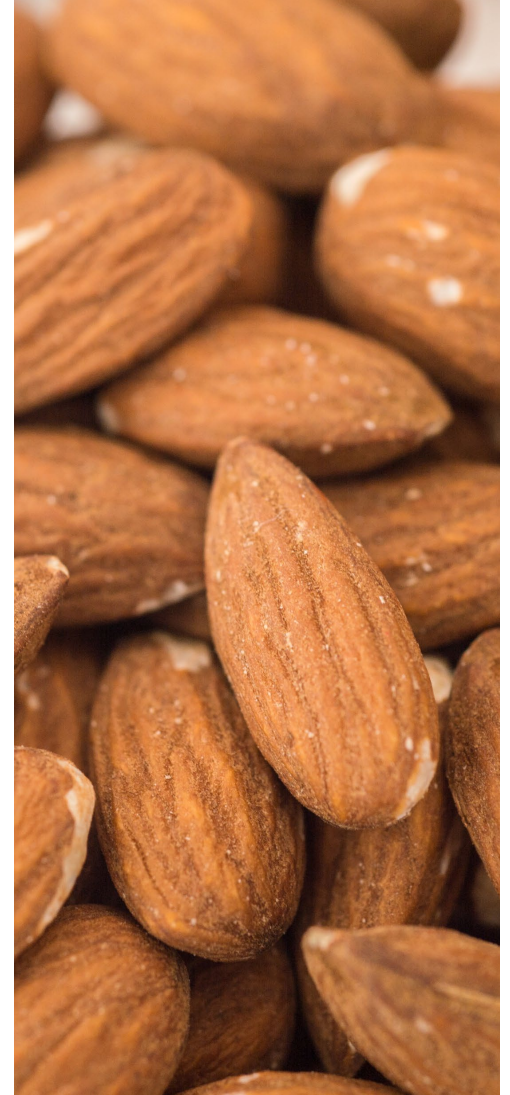
Requirements -

- Expected specialty crop sales must be based on the new producers with legally binding sales contract or purchase agreement:
 - Based on terms of their contract or agreement
- Expected specialty crop sales without a contract or agreement:
 - Based on their specialty crop acreage or inventory that is planted at the time of application and
 - Published yields and prices such as FCIC-established data, FSA-established NCT data, and NASS data, or published local data sources.

Application Overview, Documentation, and Processing

Application Submission

- Producers will submit one application nationwide for total specialty crop sales (FSA-1140)
 - Informal joint ventures – each member will complete separate applications
- New producers must also:
 - Complete FSA-1141
 - Provide supporting documentation



Application Submission (continued)

A producer may submit an application using any of the following methods:

- in person, when available
- by mail
- electronically by:
 - FAX
 - e-mail with a scanned or photocopy of signed FSA-1140 attached
 - Box/OneSpan

FSA-1140, MASC Application

MARKETING ASSISTANCE FOR SPECIALTY CROPS (MASC) APPLICATION	3. Program Year	4. Application Number
<p>INSTRUCTIONS: Return this completed form to your County FSA Office.</p>		
<p>PART A – PRODUCER AGREEMENT</p> <p>The U.S. Department of Agriculture (USDA) will make MASC payments to producers who meet the requirements of the program. The following information is needed for USDA to determine the producer is eligible to receive a MASC payment. By submitting this application, the producer agrees:</p> <ol style="list-style-type: none"> 1. To comply with, and acknowledges the applicant is subject to, all provisions published in the Notice of Funds Availability (NOFA) published by FSA. A copy of this document may be found at www.farmers.gov/MASC. 2. They are in the business of producing a specialty crop at the time of application and are entitled to an ownership share and share in the risk of producing a specialty crop that will be sold in calendar year 2025. 3. A MASC payment will only be made with respect to sales for specialty crops grown in the United States by the producer. 4. To provide USDA access to all documents and records necessary to verify the accuracy of the information provided in this application, including those in the possession of a third-party, such as a warehouse operator, processor or packer. 5. The application may be disapproved if the producer fails to provide a complete application, or any information requested by FSA within 15 days of the request. 6. To comply with payment limitation, adjusted gross income limitation, and other applicable rules by submitting the following forms required by the NOFA: <ul style="list-style-type: none"> • FSA-1141, Marketing Assistance for Specialty Crops (MASC) New Producer Expected Sales Worksheet, and supporting documentation by the MASC application deadline if applicable • CCC-902, Farm Operating Plan for Payment Eligibility • CCC-901, Member Information for Legal Entities, if applicable • CCC-941, Average Adjusted Gross Income (AGI) Certification and Consent to Disclosure of Tax Information • CCC-942, Certification of Income from Farming, Ranching and Forestry Operations, if applicable • AD-1026, Highly Erodible Land Conservation (HELIC) and Wetland Conservation (WC) Certification • AD-2047, Customer Data Worksheet, if applicable. 		
<p>PART B – PRODUCER INFORMATION</p>		
5. Producer's Name <i>(Person or Legal Entity)</i>	6. Information Line	DATE STAMP

FSA-1140 Producer Agreement

- To comply with, and acknowledging the applicant is subject to, all provisions published in the Notice of Funds Availability (NOFA)
- That they are in the business of producing a specialty crop at the time of application
- That they are entitled to an ownership share and share in the risk of producing a specialty crop that will be sold in calendar year 2025

FSA-1140 Producer Agreement (continued)

- That a MASC payment will only be made with respect to sales for specialty crops grown in the United States by the producer
- To provide USDA access to all documents and records necessary to verify the accuracy of the information provided in this application, including those in the possession of a third-party, such as a warehouse operator, processor, or packer

FSA-1140 Producer Agreement (continued)

- That the application may be disapproved if the producer fails to provide a complete application, or any information requested by FSA within 15 days of the request
- To comply with payment limitation, adjusted gross income limitation, and other applicable rules by submitting any additional required forms

FSA-1140, MASC Application (continued)

PART C – SALES		
10. Year <input type="checkbox"/> 2023 <input type="checkbox"/> 2024 <input type="checkbox"/> 2025 <i>(new producer only)</i>	11. Total Specialty Crop Sales \$	FOR COUNTY OFFICE USE ONLY 12. COC Adjusted Sales \$
PART D – PRODUCER CERTIFICATION		
<i>I hereby sign and acknowledge under penalty of perjury in accordance with 28 U.S.C. 1746 and 18 U.S.C. 1621 that the information provided is true and correct.</i>		
13A. Producer's Signature (By)	13B. Title/Relationship of Representative	13C. Date (MM/DD/YYYY)
PART E – COUNTY COMMITTEE (COC) DETERMINATION		
14. COC or Designee Signature	15. Date (MM/DD/YYYY)	16. Determination <input type="checkbox"/> Approved <input type="checkbox"/> Disapproved

FSA-1141, MASC New Producer Expected Sales Worksheet

FSA-1141 (12-10-24)	U.S. DEPARTMENT OF AGRICULTURE Farm Service Agency	<small>OMB Expiration Date: 10/31/2021</small> 1. Producer's Name <i>(Person or Legal Entity)</i> 2. Application Number
MARKETING ASSISTANCE FOR SPECIALTY CROPS (MASC) NEW PRODUCER EXPECTED SALES WORKSHEET		

PART A – 2025 EXPECTED SALES FOR NEW PRODUCERS										
3. Crop/Type	4. Intended Use	5. Expected Acres	6. Expected Yield/Acre	7. Expected Production or Inventory <small>(for yield-based crops, item 5 x item 6)</small>	8. Unit of Measure	9. Expected Price/Unit	10. Expected Sales <small>(item 7 x item 9)</small>	11. Reference Documents		
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12. Total Expected Sales <small>(sum amounts in Item 10; enter amount in item 11 on Form FSA-1140)</small>							\$			

PART B – PRODUCER CERTIFICATION		
<i>I hereby sign and acknowledge under penalty of perjury in accordance with 28 U.S.C. 1746 and 18 U.S.C. 1621 that the information is true and correct. I understand that I must provide documentation to FSA prior to the MASC application deadline to support my total expected specialty crop sales.</i>		
13A. Producer's Signature <i>(By)</i>	13B. Title/Relationship of Representative	13C. Date <i>(MM/DD/YYYY)</i>

Total Sales Documentation Examples

- sales receipts
 - other sales documents indicating when a commodity was sold
 - ledgers of income
 - income statements of deposit slips
 - register tapes
 - invoices for custom harvesting
 - records to verify production costs
 - contemporaneous measurements
 - truck scale tickets
- contemporaneous diaries – determined acceptable by COC
 - crop insurance, NAP records
 - other records determined acceptable by COC
 - schedule F

IRS Schedule F will be accompanied by documentation, when applicable, that supports the producer certifications to COC's satisfaction for reasonableness.

CPA, attorney, or other similar statements will **not** be accepted as supportive documentation for the COC reasonableness review.

Eligible Producer Documentation Examples

- | | |
|--|---|
| <ul style="list-style-type: none">• acreage reports• land use records, such as lease agreements or ownership records• field inspection or certification records, such as reports from organic certification inspections or other third-party inspections• shipping or transportation receipts• packaging or processing records• photographic evidence | <ul style="list-style-type: none">• FCIC (Crop Insurance) records• NAP records• labor records• records of agricultural inputs, such as seed, fertilizer, and pesticides• contemporaneous harvest records• invoices for custom harvesting |
|--|---|

Producer Deadlines

Application	January 8, 2025
New producer worksheet (FSA-1141) and documentation	January 8, 2025
Eligibility forms	January 8, 2026
COC requested documentation	15 calendar days from the date of COC request for information

Applicable Forms

FSA-1140: MASC Application

FSA-1141: MASC New Producer Expected Sales Worksheet (if applicable)

CCC-902 (Parts A & B): Farm Operating Plan for Payment Eligibility

CCC-901: Member Information for Legal Entities (if applicable)

CCC-941: Average Adjusted Gross Income (AGI) Certification

CCC-942: Certification of Income Farming, Ranching, and Forestry Operations (*optional*)

AD-1026: HELC & WC Certification

Processing Applications

If all forms and information are correct, reasonable, and submitted by the deadline, the County Office Committee (COC) will approve the application, and producer will receive information in the mail regarding payment.

Processing Applications: COC Adjustments

If information certified to on FSA-1140 is not supported by additional documentation provided by the participant, county office staff will reach out on behalf of the COC for additional information. This may result in the COC making an adjustment to the total specialty crop sales.

Processing Applications: COC Disapprovals

COC will disapprove FSA-1140 if **any** of the following occur:

- program eligibility requirements are not met
- person or legal entity applying is determined not to be an eligible producer
- information on FSA-1140 or supporting documentation provided by the participant is not accurate and producer is determined to have intentionally misrepresented the FSA-1140 certifications

Processing Applications: COC Disapprovals (continued)

COC will disapprove FSA-1140 if **any** of the following occur:

- evidence that applicant did not have a reported ownership share interest in the eligible specialty crop
- signature requirements were not met according to 1-CM

Payment Overview

Payments

Five payment gradations (tiers) associated with total sales

Sales Range	Payment Factor
Up to \$49,999	TBD
\$50,000-\$99,999	TBD
\$100,000-\$499,999	TBD
\$500,000-\$999,999	TBD
All sales over \$1 million	TBD

Payments (continued)

There may be a potential reduction of payments due to payment limitation and payment factors.

Payments may be reduced due to the \$125,000 payment limitation.

FSA will issue MASC payments after the end of the application period. Payment factors will be determined at that time.

Payments (continued)

Sales Range	Payment Factor
Up to \$49,999	A
\$50,000-\$99,999	B
\$100,000-\$499,999	C
\$500,000-\$999,999	D
All sales over \$1 million	E

Example:

If a producer reported \$450,000 of total specialty crop sales for their elected year, FSA would calculate a payment equal to the **sum** of the following:

- \$49,999 (the amount of sales in the first range) multiplied by percent payment factor A;
- \$50,000 (the amount of sales in the second range) multiplied by percent payment factor B; and
- \$350,001 (the amount of sales in the third range) multiplied by percent payment factor C.

Questions?

Contact: Local FSA County Office

<https://www.farmers.gov/working-with-us/service-center-locator>

MASC FSA Landing Page:

www.fsa.usda.gov/resources/programs/marketing-assistance-specialty-crops

