



Acreage Fee FAQ: Frequently Asked Questions

Q: Why are there two kinds of User Fees?

A: The Acreage Fee was added at the 2011 AGMM in Nebraska City.

The old Sales-Based User Fee will continue to be due and collected on Sales of all crops grown while that Fee was in place (2010 and before).

For Producers and CGGs, sales of crops grown in 2011 and the future will not be subject to Sales-Based User Fees.

Q: Can I still get TCs?

A: Yes, there will be no change to the TC system, Producers just won't be billed for sales of 2011 crops.

Q: What about Processors?

A: Since Processors, Broker/Traders, and Maple Syrup Producers do not use acreages to measure their operations, User Fees will be based on their annual sales.

If TCs are not issued for those sales, it is still the responsibility of the member, and the chapter, to report those sales and pay the fee to International.

Q: What if I have both a Producer Certificate and a Processor Certificate, and I process my own produce into new organic products that I sell. How do I calculate my User Fee?

A: You can deduct the value of your certified products, before processing, from the sales of the finished/processed products.

Q: What if I grow a crop in my pasture?

A: Pasture is land exclusively used for grazing. If a crop is grown, the acreage fee for that crop applies.

Q: What if I grow two different crops in a field during the year?

A: The acreage fee will be the highest single rate that could apply; they are not added together.

Q: What if I grow a crop only for seed production?

A: The same rate applies as if that crop was grown for feed or for sale.

Q: What about transitional land?

A: The acreage fee only applies to certified acres, so transitional acres will not be charged until they become certified.

Q: What if I grow alfalfa and feed it to my own cattle, do I get charged for both the alfalfa acres and the cattle per head?

A: Yes. That was considered when the rates were set.

Q: What about youngstock, steers and breeding bulls in my dairy herd?

A: All mature milking/lactating and dry cows will be charged \$7.50 per head.

All youngstock being raised for replacement (calves, open and bred heifers), as well as dairy steers and any age bulls will be charged the Large Animal rate.

Q: When will I get billed for this Acreage fee?

A: When the CDT Checklist is complete, your chapter will be billed according to the rates applicable to the crops listed on the CDT Checklist.

Your chapter will have 45 days to pay International, unless they make payment arrangements otherwise.

Your chapter has the option of billing it's members at different times, and based on a different rate schedule.