

## 2020 State Board of Equalization

August 11, 2020

**File No.:** 2020-BARNES-SHAPE

**County or City:** Barnes County

**Appellant:** Ben Shape and Charles Shape

**Issue:** Protests the taxable status of their rural residential property.

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**Summary:** Benjamin and Heather Shape purchased parcel number 38-1730310 which has been assessed as a residential property. Ben and Chuck Shape plan to farm the parcel and have destroyed the residence. Appellants request status change from residential to agricultural property for 2020.

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**Notes:**

600 E. BOULEVARD AVE., DEPT 127  
BISMARCK, ND 58505-0599

**ND Tax**  
NORTH DAKOTA

WWW.ND.GOV/TAX | TAXINFO@ND.GOV

July 17, 2020

POSTMARK  
JUL 17 2020

To Whom It May Concern:

Enclosed is the appeal form your office sent me and all documentation that I have compiled for your consideration in this appeal to change this parcel of land from a residence valuation to an agricultural value. Due to the Covid 19 virus, I was not able to attend either township or county tax equalization meeting. I inquired after the county tax meeting about the status of my property in question and was told they would contact me, but I never received a response.

I have attached a brief explanation on each document submitted to give you a clear understanding of them.

Our phone contact numbers are:

Benjamin Shape 701-840-9843

Charles Shape 701-840-2000

Thank you for your time in reviewing my appeal.

Sincerely,

Ben Shape  
Charles Shape



STATE OF NORTH DAKOTA  
**OFFICE OF STATE TAX COMMISSIONER**  
 RYAN RAUSCHENBERGER, COMMISSIONER

**Appellant Information – State Board of Equalization**

Please complete this form in its entirety. The information provided will be taken into consideration when investigating and reaching a conclusion in regard to the appeal presented. To provide ample time for investigation, all information to support the appeal (property information, pictures, income information, etc.) must be received by August 3, 2020

Please email or mail any supporting documentation to:  
propertytax@nd.gov or Office of State Tax Commissioner  
 Attn: Property Tax  
 600 E. Boulevard Ave.  
 Bismarck, ND 58505-0599

**Appellant Contact Information**

Name Benjamin + 1/2 leather Shape  
 Address 4477 103<sup>RD</sup> AVE SE City Litchville State ND Zip 58461  
 Phone number 701-840-2000 (Charles) Email address \_\_\_\_\_  
201-840-9843 (Ben)

**Information for Property Under Appeal**

Address 10349 45<sup>th</sup> ST SE City Litchville State ND Zip 58461  
 Township (if applicable) Svea county Barnes  
 Parcel ID # 38-1730310 Legal Description SW 1/4 Section 17 138N 60W

**Answer the questions below that apply to the appeal:**

Did you receive a notice of increase letter prior to or after the township equalization meeting?

- Prior to  After  N/A

Did you appeal at the township level?

- Yes  No

Did you receive a notice of increase letter prior to or after the city equalization meeting?

- Prior to  After  N/A

Did you appeal at the city level?

- Yes  No

Did you receive a notice of increase letter prior to or after the county equalization meeting?

- Prior to  After  N/A

Did you appeal at the county level?

- Yes  No

In order for the Office of State Tax Commissioner to discuss income information with a representative, please provide a release of information on letterhead to the Property Tax Division. The release can be emailed to [propertytax@nd.gov](mailto:propertytax@nd.gov).





Pictures of residence  
before, during, and after  
it was destroyed.



Copy of Ives Township  
Tax Equalization meeting and  
copy of valuation report.

I highlighted discussion on  
my property under review.



**APPLICATION FOR FARM RESIDENCE**  
OFFICE OF STATE TAX COMMISSIONER  
SFN 24737 (9-2019)

**PROPERTY TAX EXEMPTION**

For farm residence property tax exemption under N.D.C.C. § 57-02-08(15), effective for property tax years 2020 and after.

Name of Property Owner <i>Benjamin &amp; Heather Shyne</i>	Property (Parcel) Number <i>#38-1730310</i>
Name of Occupant, if Different from Owner	Legal Description of Property <i>Section 17 5.82 Acres SW 1/4</i>
Property Address <i>10349 45th St SE Litchville ND 58461</i>	<i>TWP-138 Range-060</i>

See separate instructions

A. Enter the calendar year for which the exemption is being requested 2020

B. Check the box for the category under which the exemption is being requested and answer the question(s):

**Active farmer category**

- Is the residence located on a tract or contiguous tracts of agricultural land containing 10 or more acres farmed by the occupant? .....  Yes  No
- Is the major portion of the occupant's time devoted to farming activities? .....  Yes  No
- Is the annual gross income from farming activities of the occupant and spouse, if married, 66% or more of their total annual gross income in either of the two preceding calendar years? .....  Yes  No
- Has a **Statement of Farm Gross Income** been completed for either of the two preceding calendar years? ...  Yes  No
  - If yes, submit the statement with this application.
  - If no, a statement must be completed and either submitted with this application or submitted separately no later than March 31 of the calendar year for which the exemption is being requested.

**Vacant residence category**

- Is the residence intended for use as a farm residence? ..... Yes  No
- Was the residence last used as a farm residence or as part of a farm plant? .....  Yes  No

**Farm laborer residence category**

Is the residence being used as part of a farm plant to provide housing for that farmer's worker(s)? .....  Yes  No

**Retired farmer category**

Is the residence occupied by an individual who (1) is retired because of illness or age and (2) owned and occupied the residence as a farmer at the time of retirement? .....  Yes  No

**Beginning farmer category**

- Is the residence occupied by an individual who began occupancy and operation of a farm in either of the two preceding calendar years? .....  Yes  No
- Is the major portion of the occupant's time devoted to farming activities? .....  Yes  No
- Did the occupant have **no** income or loss from farming activity in either of the two preceding calendar years? .....  Yes  No

**Surviving spouse category**

- Is the residence occupied by the surviving spouse of an individual who, at the time of death, occupied the residence as a qualified farmer? .....  Yes  No
- Was the deceased spouse an active farmer at the time of death? .....  Yes  No
- Was the deceased spouse a retired farmer at the time of death? .....  Yes  No
- Deceased spouse's date of death \_\_\_\_\_

I declare under penalty of N.D.C.C. § 12.1-11-02, which provides for a Class A misdemeanor for making false statement in a governmental matter, that this application is true, correct, and complete.		<b>For Assessor or Director of Tax Equalization only</b>	
Signature of Property Owner <i>By Shyne</i>		Application is: <input type="checkbox"/> Approved <input type="checkbox"/> Not approved	
Date <i>3-13-2020</i>	Signature of Assessor or Director of Tax Equalization	Date	



# OFFICE OF STATE TAX COMMISSIONER GUIDELINE - PROPERTY TAX EXEMPTION OF FARM BUILDINGS AND OTHER IMPROVEMENTS

## GENERAL PROVISIONS

1. Farm buildings and improvements located on agricultural lands are exempt from taxation provided they are used as part of a farm plant.

The land must be used for raising agricultural crops or grazing farm animals and used as part of a farm plant. A farm plant is the entire farm enterprise operated as an economic unit. If the unit contains less than 10 acres of land, the taxing authority, in determining whether the unit is a farm, must consider such things as the present use, the adaptability to use, and how similar type properties in the immediate area are classified for tax purposes.

Agricultural property includes land on which a greenhouse or other building is located if the land is used for a nursery or other purpose associated with the operation of a greenhouse.

2. A residence or other building located on agricultural land is exempt if used both in a farming and in a nonfarming activity, provided the primary or dominant use of it is in farming.
3. Buildings and other improvements located on agricultural land in unplatted areas within the boundaries of an incorporated city are exempt, provided the buildings are used for agricultural purposes and are part of a farm plant.
4. A residence or other building located on platted land within the boundaries of an incorporated city or upon railroad operating property is not exempt as a farm building. An outlot (a lot included within the boundaries of an original or subdivision plat) is platted land.
5. Any building located on a farm and occupied or used by someone not engaged in farming is not exempt. (See number 8)
6. A reasonable amount of land on which a non-exempt building is located must be assessed in the same classification as the building, either residential or commercial.
7. A vacant farm residence or building located on agricultural land is exempt, provided it was exempt as part of a farm plant or as a farm residence when it was last used. A vacant farm residence or building which was taxable because of a non-qualifying use should remain taxable until its active use has changed.
8. Buildings located on agricultural land used by a farmer to provide housing for that farmer's workers are exempt, provided they are used as part of a farm plant. (See number 5)
9. Buildings and other improvements primarily used to feed chickens, turkeys or other poultry, cattle, pigs or other livestock are exempt if the enterprise is located on agricultural land.

“Livestock” includes “nontraditional livestock”, that is, any wildlife held in a cage, fence, enclosure, or other manmade means of confinement that limits its movement within definite boundaries, or an animal that is physically altered to limit movement and facilitate capture. [N.D.C.C. § 36-01-00.1].

10. Beekeeping is an agricultural practice. It includes extraction and storing of honey in containers. Buildings and improvements used in connection with a beekeeping operation are exempt. [N.D.C.C. § 4.1-16-18].

Processing honey is a commercial operation. Buildings and improvements used in connection with commercial honey operations are not exempt. Processing honey is any procedure, including filtering or clarifying, which changes the natural state of honey. Morel v. Thompson, 225 NW 2d 584 (N.D. 1975).

11. “Farm buildings and improvements” includes a greenhouse or other building used primarily for the growing of horticultural or nursery products from seed, cuttings, or roots, if not used on more than an occasional basis for a showroom for the retail sale of horticultural or nursery products. A greenhouse or building used primarily for display of grown horticultural or nursery products is not a farm building or improvement.

A commercial nursery is a farming operation; buildings and improvements used in the operation of a commercial nursery are exempt. Boehm v. Burleigh County, 130 NW 2d 170 (N.D. 1964).

12. The exemption is not limited to a single set of farm buildings. If a farmer has more than one set of farm buildings, all are exempt if the buildings are used as part of the farm plant.

## FARM RESIDENCE EXEMPTION

13. A residence is exempt if it is situated on a farm and is occupied or used by an individual who is a farmer. It does not need to be owned by the farmer.

The term **farm** means a single tract or contiguous tracts of agricultural land containing a minimum of 10 acres which are normally used for farming or ranching.

The term **farmer** means an individual who normally devotes the major portion of the individual’s time to the activities of producing unmanufactured products of the soil (except for marijuana grown under N.D.C.C. ch. 19-24.1), poultry, livestock or dairy products. The farmer and spouse, if married, must have received more than 66% of their combined annual gross income from farming activities in any one year of the two preceding calendar years, whether one or both are farmers. The term also includes an individual who is a retired farmer or beginning farmer.

14. A retired farmer is an individual who quit farming because of illness or age and has not merely changed occupations. The local assessment officials have the responsibility to determine whether a farmer retired because of illness or age.
15. A beginning farmer is an individual who: 1) began occupancy and operation of a farm in either of the two preceding calendar years; 2) normally devotes the major portion of time to farming activities and; 3) had no farm income or loss from farming activity in either of the two preceding calendar years.
16. A residence occupied by the surviving spouse of a farmer who owned and occupied the residence as an active farmer at the time of death is exempt through the end of the fifth taxable year after the year of the farmer’s death.

copy of application form  
submitted to Ireda township  
assessor and was submitted  
to the Barnes County Tax  
Equalization office.

I highlighted general provisions  
this property falls under.

The Svea Township Tax Equalization meeting was held in the Cuypers' shop, Litchville, on April 13, 2020.

Those present were supervisors: Ken Jefferson, and Sheila Cuypers, Clerk and Assessor; Tim Cuypers and Matt Cuypers. Due to the CO-19 virus, Supervisors Don Berge and Bob Latt were via phone.

The meeting was called to order at 5:00 pm. Sheila presented the book of valuations for the township for review. All Supervisors were given handouts prior the meeting. There were handouts for each person with information from the book, the amount of increases or decreases and percentage of change from 2019. Questions and discussion was held regarding the valuations. Some technical issues were mastered and Don and Bob were contacted by phone making a quorum.

Discussion was held on several places and parcels. Sheila presented the farm exemptions applications for approval. These were read over the phone for the others.

Discussion was held on an application for Ben/Heather Shape purchase of former Rolfzen residential. (38-1730310) The buildings are old and have had minimal repairs. Chuck is asking to change residential to the vacant farm exemption. There is farmland adjoining the yard farmed by Chuck and Ben. Owned by Chuck. The board also agrees the house is not worth the amount of \$14,900. It would require much work and expense to re-sell or rent. The VC office has instructed it has to stay residential. Chuck states he will burn it if he has to.

Don made a motion to approve all 13 applications for exemption and the 75% reduction in valuation for the Shape's house, and also permission to Chuck and or Ben go to county level to request a change to valuation to AG.. Ken seconded. All in favor.

It is noted that a continual increase of 3-5% almost annually does not follow the farming economy. Residential tax is high and the farmers have struggled to get a crop for the past 3 years. The commodity price should be reflected in the rate of the tax value.

Ken made a motion to approve the assessor books as presented including the 75% decrease change to (38-1730310). (The average increase is 3 to 5 percent). Don seconded. All in favor.

There were no NOIs, Commercial had no changes, Residential had no change on land but approx. 3% decrease on structures.

Don made a motion to approve Sheila as assessor for 2021. Ken second. (Bob third) All in favor.

With no other business, Don made a motion to adjourn. Ken second. Meeting adjourned at 6:20 pm.

Sheila Cuypers,  
Svea Township clerk



Bob Latt, Supervisor

10339 45TH ST SE, LITCHVILLE Plat Map: Subdivision: 38-000 SVEA TOWNSHIP Deeded Acres: 5.820  
 Current Owner/Address DBA: Comp ID: Map Area: 38-000  
 SHAPE/BEN & HEATHER (D) Section: 17 Township: 138 Range: 60 Block: 0 Lot: 0  
 4477 103RD AVE SE Checks/Tags: S Lister/Date: LR, 07/14/2004 Reviewer/Date: LR, 01/20/2011  
 LITCHVILLE ND 58461-0000 Loc/Class: Rural/Residential Tax District: Litchville-Marion School Entry Status: Inspected

Legal: 5.82 ACRES SW1/4 - 10349 45TH ST SE

Basis	Front	Rear	Side 1	Side 2	R. Lot	SF	Acres	Unit Price	T/E/O%
Ac X Rt						43,560.00	1.000	\$10,000.00	0/0/0
Ac X Rt						43,560.00	1.000	\$1,250.00	0/0/0
Sub Total						253,519.20	5.820		
Grand Total*						253,519.20	5.820		

\*Includes all land areas

**Residential Dwelling**

Occupancy Single-Family / Owner Occupied  
 Style 1 1/2 Story Frame  
 Arch Style N/A  
 Year Built 1926 EYB 1926 EFA 95  
 Area SF 513 TLA 1,157 GLA 798/359  
 Condition V Poor Grade 5-5 F/E/O% 0/0/0  
 Ttl Rms 0 Ttl Bdrms 3  
 Bsmt/Attic 1/4 / None  
 Heat/AC Yes / No AC  
 Bsmt Finish 1 Standard Finish 100 Low  
 Bsmt Finish 2  
 Fireplace 1  
 Fireplace 2  
 Fireplace 3  
 Fireplace 4  
 Full/Half Baths 1/0 Other/Total Fixtures 0/3  
 Decks & Patios Wood Deck-Med-228 SF  
 Porches 1S Frame Enclosed-133 SF/1S Frame Enclosed-20 SF  
 Ext Wall Wd Lap Roof Asph / Gable  
 Veneer 1  
 Veneer 2  
 Bsmt Stalls/Total Garages 0/0 Ttl Additions 1

Base Price \$88,820  
 Basement Adjustment (\$2,130)  
 Attic Adjustment \$0  
 No Heat Adjustment \$0  
 Central AC Adjustment \$0  
 Adjusted Base \$86,690  
 Finish \$800  
 Single Siding \$0  
 Exterior \$10,718  
 Fireplaces \$0  
 Plumbing/Appliances \$0  
 Attached Garages \$0  
 Basement Stall \$0  
 Base Total \$98,208  
 Graded (0 910) \$89,369  
 Physical Value \$8,937  
 Total Less Obsolescence \$8,937  
 Extras \$0  
 Additions \$3,718  
 RCN \$101,763  
 Detached Garages \$0  
 Map Factor (0.950)  
 Total Bldg (RND) \$12,000

	Appraised	Board of Review	State Equalized	With Exemptions
Land	\$19,000			
Land C				
Dwlg	\$14,900			
Impr				
Total	\$33,900			
	PrYr 2019	PrYr 2018	PrYr 2017	
Land	\$19,000	\$19,000	\$19,000	
Land C	\$0	\$0	\$0	
Dwelling	\$14,900	\$14,100	\$21,100	
Impr	\$0	\$0	\$0	
Total	\$33,900	\$33,100	\$40,100	

Additions	Area	Year	Depr	Garages	Area	F/E/O%	W	L	Year	Grade
1 Story Frame	285	1926	70.00							
Yard Extras	Cnt	Year	Cond	Depr	F/E/O%	Value				
RURAL WATER HOOKUP - Quantity=1.00, Units=Square Feet, Height=0	1	1980	NML	60.00	0/0/0	\$2,900				

pg. 1508 SV



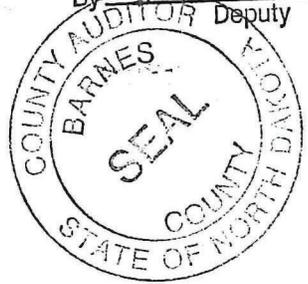


copy of Deed to farm  
yard on the Property tax  
exemption form

Taxes and Special Assessments paid and transfer accepted this 27th day of June 2019.

Beck M Dieder  
County Auditor

By Joni Marshall  
Deputy



Grantor [Signature]  
Grantee [Signature]  
Indexed [Signature]  
Checked [Signature]



Fee: \$ 20.00

290187

OFFICE OF COUNTY RECORDER County of Barnes, North Dakota  
I hereby certify that the within instrument was filed in this office on 06/27/2019 at 3:20 PM and was duly recorded.

Jody Pfaltz County Recorder  
By Jodi Nelson Deputy

### WARRANTY DEED

**THIS INDENTURE** made this 27<sup>th</sup> day of June 2019, by and between Jim L. Rolfzen and Diane C. Rolfzen, husband and wife, **GRANTORS**, to Ben Shape and Heather Shape **GRANTEES**, whose post office address is: 4477 103<sup>rd</sup> Ave SE, Litchville, ND 58461

**WITNESSETH**, for and in consideration of the sum of One Dollar (\$1.00) and other valuable consideration, GRANTORS do hereby GRANT to the GRANTEES, as joint tenants and not tenants in common, all of the following described real property lying and being in the County of Barnes and the State of North Dakota, and described as follows, to-wit:

That part of the SW<sup>1</sup>/<sub>4</sub> of Section 17, Township 138N, Range 60W of the 5th P.M., Barnes County, North Dakota, described as follows: Commencing at the Southwest corner of said SW<sup>1</sup>/<sub>4</sub>; thence East along the section line 1,686' to a point which is the point of beginning; thence East along said Section line 413' to a point; thence North in a line parallel with the East section line 614' to a point; thence West in a line parallel with the South section line 413' to a point; thence South in a line parallel with the East section line 614' to the place of beginning

The legal description was obtained from a previously recorded instrument

I certify that the full consideration paid for the property described in this deed is:

\$ 10,500.<sup>00</sup>

Date: 6-27-19  
Ben Shape  
Agent/Grantee

290187  
1 of 2

Return To: BEN SHAPE  
4477 103RD AVE SE  
LITCHVILLE ND 58461



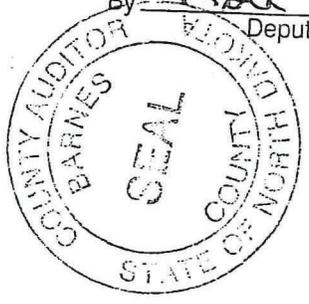
copy of Deed for property  
in neighboring Mansfield  
Township, Barnes County.

This contains 80 acres, in  
which my farm plant is  
more than 10 acres.

Taxes and Special Assessments paid and transfer accepted this 5th day of February 2020.

Betham Didion  
County Auditor  
By Lou Marchale  
Deputy

Grantor	<i>[Signature]</i>
Grantee	<i>[Signature]</i>
Indexed	<i>[Signature]</i>
Checked	<i>[Signature]</i>



Fee: \$ 65.00 291598  
OFFICE OF COUNTY RECORDER County of Barnes, North Dakota  
I hereby certify that the within instrument was filed in this office on 02/05/2020 at 11:25 AM and was duly recorded.

Jody Pfaltz County Recorder  
By Jodi Nelson Deputy

240064

**WARRANTY DEED**

**THIS INDENTURE**, Made this 4th day of February, 2020, between Jerome Moritz and Carol L. Moritz, husband and wife, David R. Moritz and Brenda L. Moritz, husband and wife, Bruce Moritz and Julie M. Moritz, husband and wife, Ann Huether and Richard S. Huether, wife and husband, Terry M. Moritz, a single person, Jonathan D. Moritz and Val R. Moritz, husband and wife, Kimberly L. Moritz, a single person, Kristen E. Pierce and Jeremy L. Pierce, wife and husband, and Anthony K. Moritz, a single person, Grantors, and Benjamin Shape and Heather Shape, Grantees, whose post office address is 4477 103rd Ave SE, Litchville, ND 58461-9733.

**WITNESSETH**, For and in consideration of the sum of One Dollar (\$1.00) and other good and valuable consideration Grantors do hereby GRANT to the Grantees, as joint tenants and not tenants in common, all of the following real property lying and being in the County of Barnes, and State of North Dakota:

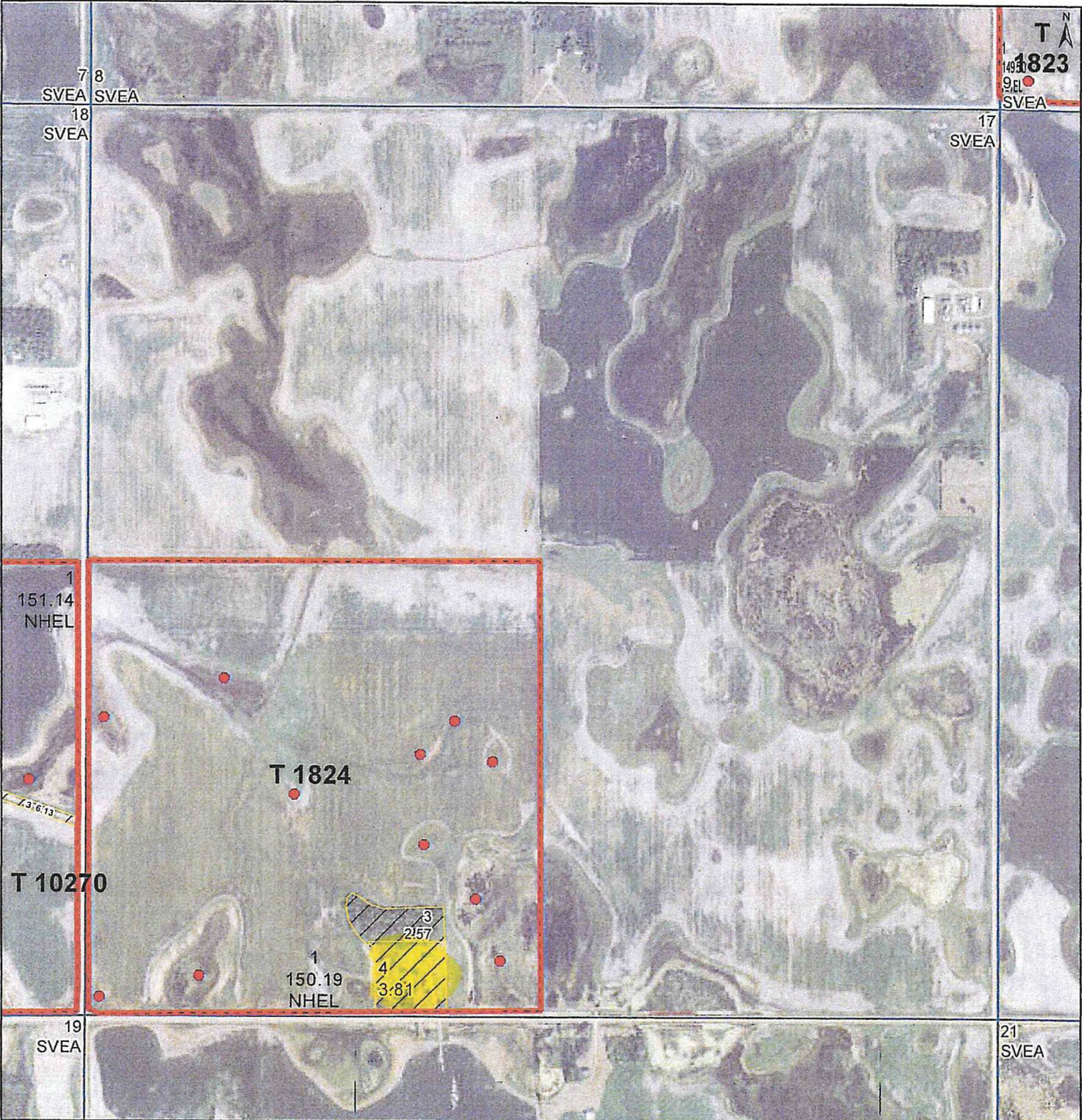
S 1/2 SW 1/4 of Section 15, T139N, R61W, County of Barnes, State of North Dakota.

The legal description was obtained from a previously recorded instrument.

And the Grantors, for themselves, their successors and assigns, do covenant with the Grantees that they are well seized in fee of the land and premises aforesaid and have good right to sell and convey the same in manner and form aforesaid; that the same are free from all encumbrances, except installments of special assessments and assessments for special improvements which have not been certified to the County Treasurer for collection, easements and restrictions of record; and the above granted lands and premises in the quiet and peaceable possession of the Grantees, against all persons lawfully claiming or to claim the whole or any part thereof, the Grantors will warrant and defend.

I certify that the full consideration for this transaction is \$241,000.00.

copy of FSA map and  
application for new  
breeding for farm yard  
under review.



**Common Land Unit**  Tract Boundary  
 PLSS

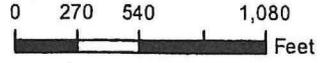
Non-Cropland  
 Cropland

**Wetland Determination Identifiers**  
● Restricted Use  
▼ Limited Restrictions  
■ Exempt from Conservation  
■ Compliance Provisions

**Unless Otherwise Noted:**  
 All crops are for grain  
 All crops are non-irrigated  
 Shares are 100% to Operator

**2020 Program Year**  
 Map Created July 07, 2020

**\$17 T138N R60W**

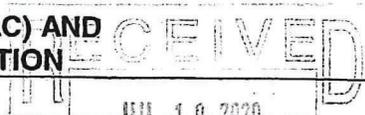


United States Department of Agriculture (USDA) Farm Service Agency (FSA) maps are for FSA Program administration only. This map does not represent a legal survey or reflect actual ownership; rather it depicts the information provided directly from the producer and/or National Agricultural Imagery Program (NAIP) imagery. The producer accepts the data 'as is' and assumes all risks associated with its use. USDA-FSA assumes no responsibility for actual or consequential damage incurred as a result of any user's reliance on this data outside FSA Programs. Wetland identifiers do not represent the size, shape, or specific determination of the area. Refer to your original determination (CPA-026 and attached maps) for exact boundaries and determinations or contact USDA Natural Resources Conservation Service (NRCS). The imagery displayed on this map was collected in calendar year 2019.

D-1026  
03-30-14)

U.S. DEPARTMENT OF AGRICULTURE  
Farm Service Agency

HIGHLY ERODIBLE LAND CONSERVATION (HELIC) AND  
WETLAND CONSERVATION (WC) CERTIFICATION



Read attached AD-1026 Appendix before completing form.

PART A - BASIC INFORMATION

1. Name of Producer <u>Benjamin Shape</u>	2. Tax Identification Number (Last 4 digits) <u>Barnes County 7818</u>	3. Crop Year <u>FSA 2020</u>
4. Names of affiliated persons with farming interests. Enter "None," if applicable. <u>Benjamin / Charles Shape JV</u>		

Affiliated persons with farming interests must also file an AD-1026. See Item 7 in the Appendix for a definition of an affiliated person.

5. Check one of these boxes if the statement applies; otherwise continue to Part B.

A.  The producer in Part A does not have interest in land devoted to agriculture. Examples include bee keepers who place their hives on another person's land, producers of crops grown in greenhouses, and producers of aquaculture AND these producers do not own/lease any agricultural land themselves. **Note:** Do not check this box if the producer shares in a crop.

B.  The producer in Part A meets all three of the following:

- does not participate in any USDA program that is subject to HELC and WC compliance except Federal Crop Insurance.
- only has interest in land devoted to agriculture which is exclusively used for perennial crops, except sugarcane, and
- has not converted a wetland after February 7, 2014.

Perennial crops include, but are not limited to, tree fruit, tree nuts, grapes, olives, native pasture and perennial forage. A producer that produces alfalfa should contact the Natural Resources Conservation Service at the nearest USDA Service Center to determine whether such production qualifies as production of a perennial crop.

**Note:** If either box is checked, and the producer in Part A does not participate in Farm Service Agency (FSA) or Natural Resources Conservation Service (NRCS) programs, the full tax identification number of the producer must be provided, but establishment of detailed farm records with FSA is not required. Go to Part D and sign and date.

PART B - HELC/WC COMPLIANCE QUESTIONS

Indicate YES or NO to each question.  
If you are unsure of whether a HEL determination, wetland determination, or NRCS evaluation has been completed, contact your local USDA Service Center.

	YES	NO
5. During the crop year entered in Part A or the term of a requested USDA loan, did or will the producer in Part A plant or produce an agricultural commodity (including sugarcane) on land for which an HEL determination has not been made?	✓	
7. Has anyone performed (since December 23, 1985), or will anyone perform any activities to:		
A. Create new drainage systems, conduct land leveling, filling, dredging, land clearing, or excavation that has NOT been evaluated by NRCS? If "YES", indicate the year(s): _____		✓
B. Improve or modify an existing drainage system that has NOT been evaluated by NRCS? If "YES", indicate the year(s): _____		✓
C. Maintain an existing drainage system that has NOT been evaluated by NRCS? If "YES", indicate the year(s): _____ <b>Note:</b> Maintenance is the repair, rehabilitation, or replacement of the capacity of existing drainage systems to allow for the continued use of wetlands currently in agricultural production and the continued management of other areas as they were used before December 23, 1985. This allows a person to reconstruct or maintain the capacity of the original system or install a replacement system that is more durable or will realize lower maintenance or costs.		✓

**Note:** If "YES" is checked for Item 7A or 7B, then Part C must be completed to authorize NRCS to make an HELC/WC and/or certified wetland determination on the identified land. If "YES" is checked for Item 7C, NRCS does not have to conduct a certified wetland determination.

3. Check one or both boxes, if applicable; otherwise, continue to Part C or D.

A.  Check this box only if the producer in Part A has FCIC reinsured crop insurance and filing this form represents the first time the producer in Part A, including any affiliated person, has been subject to HELC and WC provisions.

B.  Check this box if either of the following applies to the producer and crop year entered in Part A:

- Is a tenant on a farm that is/will not be in compliance with HELC and WC provisions because the landlord refuses to allow compliance, but all other farms not associated with that landlord are in compliance. (AD-1026B, Tenant Exemption Request, must be completed).
- Is a landlord of a farm that is/will not be in compliance with HELC and WC provisions because of a violation by the tenant on that farm, but all other farms not associated with that tenant are in compliance. (AD-1026C, Landlord or Landowner Exemption Request, must be completed).

PART C - ADDITIONAL INFORMATION

If "YES" was checked in Item 6 or 7, provide the following information for the land to which the answer applies:

A. Farm and/or tract/field number: F 753D T 1824 Field 4  
If unknown, contact the Farm Service Agency at the nearest USDA Service Center.

B. Activity: New Breaking

C. Current land use (specify crops): \_\_\_\_\_

D. County: Barnes

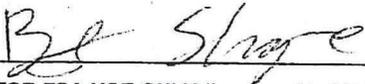
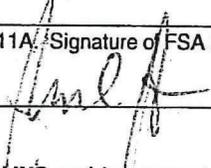
**PART D – CERTIFICATION OF COMPLIANCE**

I have received and read the AD-1026 Appendix and understand and agree to the terms and conditions therein on all land in which I (or the producer in Part A if different) and any affiliated person have or will have an interest. I understand that eligibility for certain USDA program benefits is contingent upon this certification of compliance with HELC and WC provisions and I am responsible for any non-compliance. I understand and agree that this certification of compliance is considered continuous and will remain in effect unless revoked or a violation is determined. I further understand and agree that:

- all applicable payments must be refunded if a determination of ineligibility is made for a violation of HELC or WC provisions.
- NRCS may verify whether a HELC violation or WC has occurred.
- a revised Form AD-1026 must be filed if there are any operation changes or activities that may affect compliance with the HELC and WC provisions. I understand that failure to revise Form AD-1026 for such changes may result in ineligibility for certain USDA program benefits or other consequences.
- affiliated persons are also subject to compliance with HELC and WC provisions and their failure to comply or file Form AD-1026 will result in loss of eligibility for applicable benefits to any individuals or entities with whom they are considered affiliated.

**Producer's Certification:**

I hereby certify that the information on this form is true and correct to the best of my knowledge.

10A. Producer's Signature (By) 	10B. Title/Relationship (If Signing in Representative Capacity)	10C. Date (MM-DD-YYYY) 7-10-2020
FOR FSA USE ONLY (for referral to NRCS) Sign and date if NRCS determination is needed.	11A. Signature of FSA Representative 	11B. Date (MM-DD-YYYY) 7-10-2020

**IMPORTANT:** If you are unsure about the applicability of HELC and WC provisions to your land, contact your local USDA Service Center for details concerning the location of any highly erodible land or wetland and any restrictions applying to your land according to NRCS determinations before planting an agricultural commodity or performing any drainage or manipulation. Failure to certify and properly revise your compliance certification when applicable may: (1) affect your eligibility for USDA program benefits, including whether you qualify for reinstatement of benefits through the Good Faith process; and (2) result in other consequences.



**NOTE:** The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a - as amended). The authority for requesting the information identified on this form is 7 CFR Part 12, the Food Security Act of 1985 (Pub. L. 99-198), and the Agricultural Act of 2014 (Pub. L. 113-79). The information will be used to certify compliance with HELC and WC provisions and to determine producer eligibility to participate in and receive benefits under programs administered by USDA agencies. The information collected on this form may be disclosed to other Federal, State, Local government agencies, Tribal agencies, and nongovernmental entities that have been authorized access to the information by statute or regulation and/or as described in applicable Routine Uses identified in the System of Records Notice for USDA/FSA-2, Farm Records File (Automated) and USDA/FSA-14, Applicant/Borrower. Providing the requested information is voluntary. However, failure to furnish the requested information will result in a determination of producer ineligibility to participate in and receive benefits under programs administered by USDA agencies.

This information collection is exempted from the Paperwork Reduction Act as specified in the Agricultural Act of 2014 (Pub. L. 113-79, Title II, Subtitle G, Funding and Administration). The provisions of appropriate criminal and civil fraud, privacy, and other statutes may be applicable to the information provided. **RETURN THIS COMPLETED FORM AD-1026 TO YOUR COUNTY FARM SERVICE AGENCY (FSA) OFFICE.**

The U.S. Department of Agriculture (USDA) prohibits discrimination against its customers, employees, and applicants for employment on the basis of race, color, national origin, age, disability, sex, gender identity, religion, reprisal, and where applicable, political beliefs, marital status, familial or parental status, sexual orientation, or all or part of an individual's income is derived from any public assistance program, or protected genetic information in employment or in any program or activity conducted or funded by the Department. (Not all prohibited basis will apply to all programs and/or employment activities.) Persons with disabilities, who wish to file a program complaint, write to the address below or if you require alternative means of communication for program information (e.g., Braille, large print, audiotape, etc.) please contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). Individuals who are deaf, hard of hearing, or have speech disabilities and wish to file either an EEO or program complaint, please contact USDA through the Federal Relay Service at (800) 877-8339 or (800) 845-6136 (in Spanish).

If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at [http://www.ascr.usda.gov/complaint\\_filing\\_cust.html](http://www.ascr.usda.gov/complaint_filing_cust.html), or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter by mail to U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at [program.intake@usda.gov](mailto:program.intake@usda.gov). USDA is an equal opportunity provider and employer.