



STEVEN GRUCHY



JAMES L. CUMMINS

TYPES OF LANDS THAT QUALIFY

Cropland, grassland, wetland, forestland

TYPE OF PROGRAM

Maintenance and incentive

MONETARY BENEFIT

Direct payment

Conservation Stewardship Program

The Conservation Stewardship Program (CSP) is a voluntary program offered to private landowners. It enhances the conservation practices on their property, increasing efficiency and productivity. It is administered by the United States Department of Agriculture's (USDA) Natural Resources Conservation Service (NRCS).

■ HOW IT WORKS

The CSP offers enhancements to conservation practices conducted on cropland, associated agricultural land, grazing land, farmstead, and forestland. These conservation practices can help increase or promote soil and plant health, water quality, livestock production, crop production, forest products, and wildlife habitat.

Within the CSP, there are over 200 conservation practice enhancements that landowners can choose from to build a conservation plan. A complete list of available conservation practices and bundles can be obtained on the NRCS website.

■ ELIGIBILITY REQUIREMENTS

To be eligible for the CSP, producers and landowners must have numbers and records for their farm or land operation on file with the Farm Service Agency (FSA).

CSP contracts are valid for a total of 5 years. Since the CSP is an incentive-based program, there are different scenarios for payment, and payments will be made annually over the life of the contract.

All CSP contracts will have an annual payment of at least \$1,500; the total contract amount and payments will vary based on resource concerns met and enhancements

established. The NRCS offers three activity payment options.

Existing Activity Payments

These payments provide financial incentives for current conservation practices and resource concerns presently being met.

Additional Activity Payments

These payments are for enhancements added to existing conservation regimens or new resource concerns being met.

Supplemental Payments

These payments are intended to adopt any new or improved conservation crop rotation to their CSP contract along with existing and additional activities.

COMMON PRACTICES

Common Enhancements for Forestry and Wildlife

Enhancement or PC	Name	Payment
E315A	Herbaceous weed treatment	\$14.39/acre
E327B	Establish monarch butterfly habitat	\$827.31/acre
E338B	Short-interval burns	\$82.36/acre
E612D	Adding food producing species	\$198.40/acre
E612G	Tree/shrub planting for wildlife foods	\$1,817.49/acre
E666A	Forest soil quality	\$36.76/acre
E666D	Understory vegetation management	\$246.32/acre
E666G	Daylighting roads	\$282.73/acre
E666H	Increase carbon storage	\$11.33/acre
E666I	Crop tree mast production MGT	\$363.79/acre
E666K	Creating patch openings	\$489.14/acre
E666O	Den and snags	\$50.56/acre
E666P	Bat habitat	\$207.70/acre

HOW TO APPLY

Applications are accepted for continuous sign-up at your local USDA Service Center. Contact your local NRCS office for deadlines in your state.

CSP EXAMPLE

A landowner has 1,131.5 forested acres in southwest Mississippi. They would like to improve wildlife habitat and conserve soil and water on this land. NRCS will provide cost-share payments annually for a period of 5 years based on the individual practices that the landowner chooses to apply.

The total contract payment for this property is \$199,999.00 with an average annual payment of approximately \$40,000.00. The approved practices include daylighting roads, creating patch-cut openings, group plantings of mast producing trees, maintaining soil quality and testing, forest stand improvements by hack and squirt, hinge cutting, mast tree and crop tree maintenance, bat habitat, dead snag retention, and carbon storage.

NRCS Costs

Based on the above practices, the average Annual Payment to Landowner is \$35.35 per acre.

Sample Calculation

Average Annual Payment to Landowner
 $\$35.35/\text{Acre} \times 1,131.5 \text{ acres} = \$39,998.53$

Average Annual Costs to Landowner are as follows:
 Forestry Mulching, Tree Planting, Herbicide, Soil Tests,
 Misc. $\$10.95/\text{acre} \times 1,131.5 \text{ acres} = \$12,400.00$

Average Annual Net Financial Gain to Landowner
 $\$35.35/\text{acre} - \$10.95/\text{acre} = \$24.39/\text{acre}$
 $\$24.39/\text{acre} \times 1,131.5 \text{ acres} = \$27,600.00$

Full 5 Year Contract Net Gain to Landowner
 $\$27,600/\text{year} \times 5 \text{ years} = \$138,000.00$

HOW ARE CSP PAYMENTS TAXED?

CSP payments are taxed at the ordinary income rate; however, if the expenses equal or exceed the revenue from the program, no tax is paid. In the above example, after expenses, the landowner would pay ordinary income taxes on the annual net gain, or on \$27,600.00.



The Mississippi Land Trust works with willing private landowners and government agencies to protect fish and wildlife habitat in Mississippi.

P.O. Box 23 | Stoneville, MS 38776
 662.820.9774 | www.mississilandtrust.org



The Mississippi River Trust works with willing private landowners and government agencies to protect fish and wildlife habitat in the Lower Mississippi River region.

P.O. Box 15 | Stoneville, MS 38776
 662.820.9774 | www.mississippirivertrust.org



Wildlife Mississippi works with willing private landowners and government agencies to conserve fish and wildlife habitat in Mississippi.

P.O. Box 10 | Stoneville, MS 38776
 662.686.3375 | www.wildlifemiss.org