



# Farm Service Agency CGCS PROGRAM

# Cotton Ginning Cost Share

FACT SHEET  
March 2018

## Overview

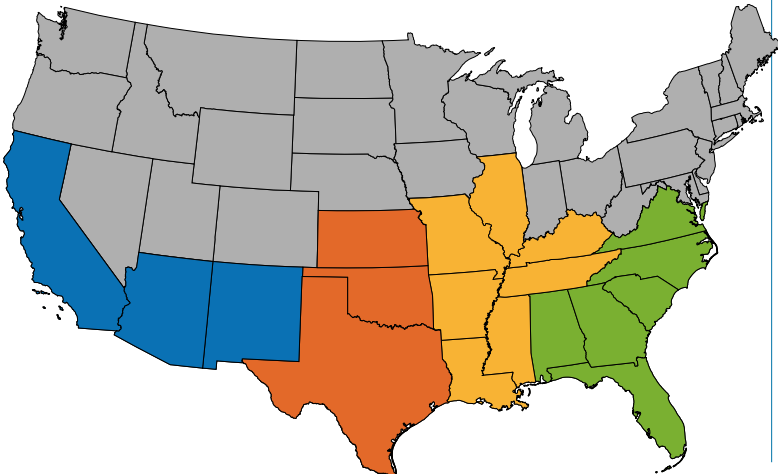
The Cotton Ginning Cost Share (CGCS) program provides cost share assistance payments to cotton producers with a share in the 2016 cotton crop. The CGCS program was established under the statutory authority of the Commodity Credit Corporation Charter Act and under the administration of the U.S. Department of Agriculture (USDA) Farm Service Agency (FSA).

The signup period for the CGCS program is March 12, 2018, through May 11, 2018.

The CGCS program is a cost share program that provides cotton producers with cost share payments to offset their 2016 cotton ginning costs and assist with the marketing of cotton.

Through the CGCS program, eligible producers can receive a one-time cost share payment, which is based on a producer's 2016 cotton acres reported to FSA multiplied by 20 percent of the average ginning cost for each production region. The 20 percent rates are the following:

- \$23.21 for the Southeast (AL, FL, GA, NC, SC, VA)
- \$30.39 for the Mid-South (AR, IL, KY, LA, MS, MO, TN)
- \$19.65 for the Southwest (KS, OK, TX) and
- \$48.02 for the West (AZ, CA, NM)



For example, a Texas cotton producer who reported 100 acres planted to cotton and has a 100 percent stake in the production, would receive a CGCS program cost share payment of \$1,965.

## CALCULATION

<b>CGCS Program Cost Share Payment =</b>
<b>acres x share x cost share rate</b>

All CGCS program cost share payments are based on the acreage report filed at the local FSA service center.

## Limitations

The CGCS program only applies to producers who have an interest/share in 2016 cotton acres, as reported to FSA county offices on form FSA-578. Cost share payments are capped at \$40,000 per person or legal entity. CGCS program payments are its own separate payment limitation and do not count against other 2014 Farm Bill payment limitations.



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### Eligibility

To be eligible for a CGCS program payment, each applicant is required to be a person or legal entity who was actively engaged in farming in 2016 and who complies with requirements including, but not limited to, those pertaining to highly erodible land conservation and wetland conservation provisions, commonly referred to as the conservation compliance provisions.

A producer's average adjusted gross income may not exceed \$900,000 payments.

### Where to File the Application

CGCS program applications can be submitted to FSA either in person, by FAX or by email.

### For More Information

This fact sheet is provided for informational purposes; other restrictions may apply. For more information about the CGCS program, visit [www.fsa.usda.gov/pricesupport](http://www.fsa.usda.gov/pricesupport) or contact your local FSA office. To find your local FSA office, visit <http://offices.usda.gov>.

