Generic Base

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Generic Base Acres

• *Base acres* mean the number of acres, with respect to a covered commodity on a farm, in effect on September 30, 2013, subject to any reallocation, adjustment, or reduction. The term ‘base acres’ includes any generic base acres planted to a covered commodity.
Generic Base Acres

- Upland cotton base acres that were in existence as of September 30, 2013.
  - Fixed; cannot be increased or decreased; cannot be added.
- Generic base acres planted to covered commodities are treated like other base acres for the purposes of ARC and PLC.
Generic Base Acres

Generic Base Acres may:

• receive payment under ARC or PLC for the acres planted to a covered commodity
• be planted to any crop including covered commodities, fruits, vegetables, minor oilseeds, or other crops
Generic Base Acres

Covered commodities planted on generic base acres

- are used to attribute generic base acres to covered commodities.

- will be treated as base acres for the ARC and PLC payment calculations if a payment is triggered.
Generic Base Acres

• Generic base acres are attributed to base acres when an acre of a covered commodity is planted.

• If no covered commodities are planted there is no attribution of generic acres to base acres or payment acres.
Attribution of Generic Base Acres

- If a single covered commodity is planted and planted acres exceed the generic base acres on the farm:
  - the generic base acres are attributed to that covered commodity in an amount equal to the total number of generic base acres on the farm.
Attribution of Generic Base Acres

• If multiple covered commodities are planted and the total number of acres planted exceed the generic base acres:
  – the generic base acres will be attributed to each of the covered commodities on the farm on a pro rata basis.
## Generic Base Acres Example 1

<table>
<thead>
<tr>
<th>Description</th>
<th>Acres</th>
</tr>
</thead>
<tbody>
<tr>
<td>FSN 9999</td>
<td></td>
</tr>
<tr>
<td>2013 Base Acres</td>
<td></td>
</tr>
<tr>
<td>Wheat</td>
<td>150.0</td>
</tr>
<tr>
<td>Corn</td>
<td>100.00</td>
</tr>
<tr>
<td>Soybeans</td>
<td>250.0</td>
</tr>
<tr>
<td>Generic (Cotton)</td>
<td>75.00</td>
</tr>
<tr>
<td>2014 Planted Acres</td>
<td></td>
</tr>
<tr>
<td>Corn</td>
<td>200.0</td>
</tr>
<tr>
<td>Soybeans</td>
<td>250.0</td>
</tr>
</tbody>
</table>
Generic Base Acres Example 1

Prorate to base acres

• 200 (planted corn)/450 total planting = 44.4%
• 250 (planted soybeans)/450 total planting = 55.6%

75 generic X 44.4% = 33.3 corn
75 generic X 55.6% = 41.7 soybeans
Generic Base Acres Example 1

FSN 9999
2014 Base Acres for ARC-CO or PLC

Corn 100.0 Fixed       Soybeans 250.0 Fixed
    + 33.3 (2014 only)    + 41.7 (2014 only)
    133.3                291.7

Wheat 150.0 Fixed
Generic Base Acres Example 2

<table>
<thead>
<tr>
<th>Crop</th>
<th>2013 Base Acres</th>
<th>2014 Planted Acres</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wheat</td>
<td>150.0</td>
<td></td>
</tr>
<tr>
<td>Corn</td>
<td>100.00</td>
<td></td>
</tr>
<tr>
<td>Soybeans</td>
<td>250.0</td>
<td></td>
</tr>
<tr>
<td>Generic (Cotton)</td>
<td>75.00</td>
<td></td>
</tr>
<tr>
<td>Corn</td>
<td>200.00</td>
<td>Cotton 250.0</td>
</tr>
</tbody>
</table>

FSN 9999
Generic Base Acres Example 2

FSN 9999
2014 Base Acres for ARC-CO or PLC

Corn 100.0 Fixed  Soybeans 250.0 Fixed
+ 75.0 (2014 only)
175.0

Wheat 150.0 Fixed
Generic Base

- How Generic Bases are attributed or assigned will vary from year to year depending on the proration based on planted acres.
- Plant for the highest crop returns & to maintain good crop rotations; but when possible maximize the use of Generic Bases.