



AgriStability

Guide for 2023 Supplementary Forms

Taxation year ending

January 1, 2023 through December 31, 2023

Submission deadline

September 30, 2024

A federal-provincial-territorial initiative

Guide for 2023 Supplementary Forms

Forms Availability

Supplementary Forms can be filed online. Visit www.AFSC.ca and select "Login" to access AFSC Connect

Forms are also available at www.AFSC.ca, any AFSC branch office, or by calling toll free 1.877.899.AFSC (2372).

The 2023 submission deadline is **September 30, 2024**. Participants who submit their Supplementary Forms after the deadline will have their final AgriStability Benefit reduced by \$500 per month, or part thereof, to a maximum of \$1,500. No penalty will occur if there is no benefit entitlement. Late filed forms are accepted up to December 31, 2024. After December 31, 2024 a participant is no longer eligible for the 2023 program year.

It is the participant's responsibility to ensure that the AgriStability Supplementary Forms are submitted on time and in accordance with the AgriStability Handbook, even if the submission has been completed and/or submitted on their behalf by a third party.

Program Eligibility

In addition to meeting the 2023 Supplementary Forms submission deadline, to be eligible for benefits for the 2023 program year, you must also have:

- Submitted your 2023 AgriStability Fee by **December 31, 2023**;
- Farmed in Canada and reported farm income (or loss) for the income tax purposes for the 2023 program year;
- Completed a minimum of six consecutive months of farming activity, as well as a production cycle;
- Submit an signed AgriStability Participant Declaration either in the current or a prior year: this is a one-time declaration which does not have to be resubmitted every year. However, the Client Declaration renewal on the Supplementary Forms must be signed annually.

General Tips

- Program Year means the taxation year for which forms are submitted coinciding with a participant's fiscal period for that taxation year.
- Missing information may delay the processing of your submission.
- The following information is required at a minimum: accounts receivables, accounts payables and prepaid expenses (if required to adjust information reported on a cash basis). If a participant supplies AFSC with Schedule 2 (crop inventory worksheet) or Schedule 3 (livestock inventory worksheet) that contains production units along with only starting and ending inventories, AFSC will accept the information and process the application as follows:
 - A confirmation letter will be issued to the participant to confirm receipt of the above information. The Program Year application will be assessed as a zero-benefit claim.
 - The information provided will be used to support future claim years and may be subject to verification, audit, and inspection.
 - Although a detailed Calculation of Program Benefits (COPB) statement will not be issued, the confirmation letter will serve as a proxy to the COPB thereby providing 18 months for any future revisions.
- Keep good records. Count and record your inventory on the last day of every fiscal year.
- If you farm within a partnership:
 - and file to Canada Revenue Agency (CRA) on a partnership statement (i.e. individual income and expenses reflect 100 per cent of the farm and your share is determined by a percentage applied to the net income), complete the AgriStability Supplementary Forms to represent 100 per cent of the farm.
 - and do not file to CRA on a partnership statement (i.e. individual income and expenses reflect your share only), complete the AgriStability Supplementary Forms to represent only your share of the farm.
 - as an option, one set of AgriStability Supplementary Forms can be submitted for all partners representing 100 per cent of the farm, **but must include the names and signatures of all partners.**
- Keep a copy of your 2023 AgriStability Supplementary Forms for your records.

Income Tax and AgriStability

- To remain eligible for the AgriStability and AgriInvest Programs, participants must have filed their income tax to Canada Revenue Agency by December 31, 2024.
- Individuals that filed farming income on a T1163 to CRA by the tax deadline do not need to send a copy of their tax to Agriculture Financial Services Corporation (AFSC).
- Individuals not required to file tax need to record their income and expenses on a T1163 and send a copy to AFSC.
- Corporations need to submit for the Program Year a copy of their Financial Statements with notes, T2 Schedule 1 and an Alberta Statement A to AFSC (an Accrual to Tax Worksheet may also be requested).
- Accrual tax filers must also provide detailed information of their breeding stock inventory adjustment used for taxation purposes.

Filling Out The 2023 Supplementary Forms

2023 AgriStability Application Form

Page 1

Please enter your Identification Number (AFSC ID or your Personal Identification Number (PIN and enter the year you are applying for.

Client Information: Please enter your Business Name, Business Address and Contact Person

Fiscal Period: Enter your Fiscal Period

Complete this section ONLY if the information has changed or was not previously provided to AFSC for administration of the AgriStability Program.

AgriStability Form Preparer: If not completed by the participant, provide the name of the person that prepared the AgriStability Supplementary Forms on your behalf.

NOTE: AgriStability Form Preparers will receive general information mail outs regarding the AgriStability Program, including notifications relating to seminars and program enhancements. A form preparer is not automatically given the right to act as a representative for the participant. (To authorize a representative refer to *Third Party Form* on www.AFSC.ca)

Page 2

Please enter your Identification Number (AFSC ID or your Personal Identification Number (PIN and enter the year you are applying for.

Additional Information: Examples of additional information required to process your application:

- Share cattle that are being fed but not listed on the Livestock Worksheet;
- Cause of a margin decline or any special circumstances (e.g. drought, disease, etc.);
- Names of other individuals or businesses that you farm with;
- Barter transactions;
- For contracted commodities provide Fair Market Value (FMV) if part or all of fiscal year-end inventory is committed to a determinable price contract.

Freedom of Information and Protection of Privacy Act: Please read, sign and date.

Processing will be delayed if the appropriate signatures are not submitted with the Supplementary Forms.

Deferred Income and Receivables

Schedule 1a

Deferred income and receivables represent the income from products or services that have been sold and delivered but for which payment has not yet been received.

- Only fill out Schedule 1a if you report to CRA on a cash basis. This schedule will ensure that only allowable income relating to the Program Year is considered.
- You will need a list of the dollar value of your prior year income received in the Program Year and income from crops and livestock sold in the Program Year but not received until the following year.

Important: The 'Prior Year Income Received In or Deferred to Program Year' reported on your 2023 Supplementary Forms should match the 'Program Year Income Deferred to Future Tax Year or Not Received by Year End' reported on the 2022 Supplementary Forms.

Example: Deferred Income and Receivables

The following example illustrates a situation where deferred income and receivables are higher at the beginning of the Program Year than at the end of the Program Year.

Farmer has a December 31, 2023 taxation year-end

Hay Sales

Sold \$25,000 of hay in December of 2022 and received payment in January 2023; Sold \$20,000 of hay in December of 2023 and received payment in January 2024

Crop Insurance Payment

2022 crop insurance payment of \$15,000 and received payment in January 2023; 2023 crop insurance payment of \$10,000 and received payment in January 2024

Schedule 1a

Description	Prior Years Income Deferred to Program Year	Program Year Income Not Received by Year End
Crops (specify) <i>Hay Sales</i>	\$ 25,000	\$ 20,000
Crop and Hail Insurance Programs	15,000	10,000
Allowable Program Income (specify)		
Livestock (specify)		
TOTAL	40,000	30,000

Unpaid Expenses

Schedule 1b

Unpaid expenses are expenses incurred during the year for which the payment has not yet been made and will have to be made the following year.

- Only fill out Schedule 1b if you report to CRA on a cash basis. This schedule will ensure that only allowable expenses relating to the Program Year are considered.
- You will need a list of the dollar value of your unpaid expenses at the start and end of the Program Year. If you have claimed the expense on your tax return it is not an unpaid expense.
- Check your banking information re: cancelled cheques, credit cards, and e-transfers in the Program Year to see which ones relate to prior year unpaid bills.
- Check your cancelled cheques written after the Program Year to see which expenses relate to the Program Year.
- Refer to year-end statements from your suppliers (e.g. fertilizer dealer).
- Do not include the interest or GST portion of your unpaid expenses on Schedule 1b.

Important: The 'Unpaid Expenses at Beginning of Program Year' reported on your 2023 Supplementary Forms should match the 'Unpaid Expenses at End of Program Year' reported on the 2022 Supplementary Forms.

Example: Unpaid Expenses

The following example illustrates a situation where unpaid expenses were higher at the end of the year than at the beginning of the year.

Farmer has a December 31, 2023 year-end

Fertilizer

Purchased fertilizer for \$30,000 in April 2022 for the 2022 crop year, paid for in January 2023; Purchased fertilizer for \$40,000 in April 2023 for the 2023 crop year, paid for in May 2024

Fuel

Purchased gasoline for \$5,000 in November 2022, paid for in February 2023; Purchased gasoline for \$4,000 in November 2023, paid for in January 2024

Schedule 1b

Description	Prior Year Expense Paid in Program Year	Current Year Expense Not Paid by Year End
<i>Livestock (specify)</i>	\$	\$
Prepared Feed / Supplements		
Forage		
Seed		
Fertilizer and lime	30,000	40,000
Herbicides/Pesticides		
Fuel	5,000	4,000
Crop Insurance Premiums		
Other (specify)		
TOTAL	35,000	44,000

Purchased Inputs/Prepaid Expense

Schedule 1c

Purchased inputs are expense items that were paid in advance but will be used for the next crop year.

- Only fill out Schedule 1c if you report to CRA on a cash basis. This schedule will ensure that only allowable expenses relating to the Program Year are considered.
- This schedule must be completed for inputs such as prepared feed, fertilizer and chemicals that are purchased but benefit a different production year.

Important: The 'Program Year Starting Inventory (\$)' reported on your 2023 Supplementary Forms should match the 'Program Year Ending Inventory (\$)' reported on the 2022 Supplementary Forms.

Example: Purchased Inputs

The following example illustrates a situation where purchased inputs were higher at the beginning of the year than at the end of the year.

Farmer has a December 31, 2023 year end

Fall Applied Fertilizer

\$25,000 of fertilizer was applied October 2022 to produce the 2023 crop

\$20,000 of fertilizer was applied October 2023 to produce the 2024 crop

Fuel

Purchased and paid for \$10,000 of fuel in December 2022 and used to produce the 2023 crop; Purchased and paid for \$5,000 of fuel in December 2023 and used to produce the 2024 crop

Schedule 1c

Description	Purchased in Prior Year for Current Year	Purchased in Current Year for Next Year
Prepared Feed/Supplement	\$	\$
Fertilizer and Lime	25,000	20,000
Herbicides / Pesticides		
Other (specify) fuel	10,000	5,000
TOTAL	35,000	25,000

All participants who produce crops or purchase raw commodities such as barley, silage, hay and straw must complete this schedule.

- Enter your crop insurance AFSC ID in the box provided at the top of Schedule 2
- Crop share tenants - The share of crops that belongs to a crop share landlord should be recorded in the Landlord's Share column. Total production acres should be listed in the Number of Acres column, but the landlord's share of the acres should also be noted in the box at the bottom of the Number of Acres column.
- Crop share landlords - Contact AFSC or refer to the AgriStability Handbook for further details regarding eligibility of crop share landlords.
- Indicate contracted grain commodities by Yes (Y) or No (N) in the Contract column. Grain commodities that are contracted at fiscal year-end should have the contracted price entered on the form as the Fair Market Value (FMV). Copies of your contracts may be requested.
- Use separate lines for contracted versus non-contracted grain at your year-end; specify grades. Report wheat by class and grade only, e.g. No. 1 CWRS.
- Check off production from Irrigated Acres if the crop was irrigated. Irrigated acres must be reported on separate lines from dryland acres production.
- Gather your crop production, sales, purchases, feeding records, crop insurance measurements, and inventory records.
- Ensure that crop sales agree to crop income reported on your Farm Tax Statement for the Program Year, adjusted for opening and closing deferrals. When reporting production/sales - if the sales are net tonnes (as taken from the sales receipts) the production should be reported net of the average dockage.
- Report any purchased crops in the Purchases column.
- Amount fed must be reasonable for the number of livestock reported on Schedule 3.
- Ensure snowed under crops are recorded on a separate line from fall harvested crops. Actual yields, after harvesting, must be obtained before your submission can be processed.
- Fair Market Value (FMV) is an optional field, except for a grain commodity with a contracted price or a specialty commodity such as seed production or herbs and spices. Provide FMV for contracted grain and specialty commodities.
- Ensure acres are reported in the correct places. Summerfallow Acres refers to acres in that year that were unseeded for summerfallow purposes. Unseedable Acres refers to acres in that year that were too wet or too dry to seed.

The 'Program Year Starting Inventory' reported on your 2023 Supplementary Forms should match the 'Program Year Ending Inventory' reported on your 2022 Supplementary Forms. If they do not match, please indicate the reason in the notes section on page 2 of the Supplementary Forms.

Example: Crop Inventory Worksheet

The following example will help you in completing Schedule 2.

Farmer has a December 31, 2023 year end

Starting Inventory- January 1, 2023

2000 bushels of 2022 barley crop
5000 bushels of 2022 #1 canola crop

Landlord's Share

1/3 share of Canola 250 acres production
1000 bushels #2

2023 Sales

2000 bushels barley sold March 2023
3000 bushels #1 canola sold April 2023
1500 bushels barley sold October 2023
2000 bushels #2 canola sold November 2023

2023 Production

Produced 2500 bushels barley on 100 acres
Produced 3000 bushels #2 canola on 250 acres
Produced 4000 bushels #1 wheat on 100 acres

2023 Feed

500 bushels barley fed to livestock during 2023

Ending Inventory- December 31, 2023

500 bushels barley
2000 bushels #1 canola
0 bushels #2 canola
3000 bushels #1 wheat - no contract
1000 bushels #1 wheat - contracted with set price

Description		Contract (y / n)*	Starting Inventory	Unit of Measure	Home Raised Production					Purchases	Sales	Amount Fed	Seed Used	Ending Inventory	FMV
Grain	Grade				Number of Acres	Irrigated	Yield per Acre	Quantity Produced	Landlord Share						
Barley	Feed	N	2000	Bushels	100		25	2500			3500	500		500	
Wheat	#1	N		Bushels	100		40	3000						3000	
Wheat	#1	Y		Bushels				1000						1000	8.99
Canola	#1	N	5000	Bushels							3000			2000	
Canola	#2	N		Bushels	250		12	3000	1000		2000			0	
Crop share acres (landlord share)					83	Acres included in above total									

Starting Inventory (+) Quantity Produced (-) Landlord's Share (+) Purchases (-) Sales (-) Amount Fed (-) Seed Used = Ending Inventory

*If Yes (Y), provide Ending Fair Market Value (FMV) for contracted grain.

All participants who produce livestock and other commodities such as bees, honey, and milk must complete this schedule.

- Feeder Association Cattle: Feeder Association Cattle must be included on inventory schedules. If these animals were not expensed at time of purchase, they must be shown as an unpaid expense on Schedule 1(b).
- Share Cattle: Enter only your portion of share cattle on the livestock worksheet. For example, you may be receiving a calf share for some shared cows; your share of the calves would go on the livestock worksheet, the shared cows that you do not own but you do feed should be mentioned in Section III of the Supplementary Forms.
- Custom Fed Livestock: Custom fed livestock must be included on inventory schedules in the "If You Custom Feed" section on the bottom of the livestock inventory worksheet. The required information is the number of animals and the average number of custom feed days per animal. Please note the type of animals being fed (i.e. beef feeders, beef fats, bison, etc).
- Milk Sales: Record milk sales as hectolitres sold in the Dairy/Poultry section at the bottom of the Livestock Inventory Worksheet.
- Egg Sales: Record egg sales as dozen of eggs sold in the Dairy/Poultry section at the bottom of the Livestock Inventory Worksheet.
- Bred Heifers: Enter bred heifers that have not birthed a calf in a previous fiscal period on a separate line from bred cows that have previously birthed a calf.
- Gather your livestock production, sales, purchases and inventory records for the Program Year.
- Ensure that livestock sales agree with livestock income reported on your Farm Tax Statement for the Program Year, adjusted for opening and closing deferrals.
- Weight for livestock must be specified. Use separate lines if the average weight of your livestock is different for the beginning and ending inventories.
- Swine do not need to have deaths or transfers reported.
- Fair Market Value (FMV) is an optional field. Only complete for specialty commodities such as purebred cattle, bison, elk, etc.

Important: The 'Program Year Starting Inventory' reported on your 2023 Supplementary Forms should match the 'Program Year End Inventory' reported on your 2022 Supplementary Forms.

Example: Livestock Inventory Worksheet

The following cattle operation example will help you in completing Schedule 3:

Farmer has a December 31, 2023 year end

Breeding Bulls

3 at the start
1 sold
1 purchased
3 at the end

Cows

120 at the start
9 transferred from bred heifers
12 transferred to open cows
1 died
116 at the end

Home-raised Calves

0 at the start
108 born
5 heifer calves to replacement heifers
91 sold (average 520 lb.)
6 died
6 at the end

Custom Fed

60 beef feeders for 180 days

Open Cows/Culls

12 transferred in from bred cows
12 sold

Replacement Heifers (not bred)

10 at the start (600 lb. average)
5 transferred in from calves
9 transferred out to bred heifers
1 sold (1000 lb.)
5 at the end (600 lb. average)

Bred Heifers

9 at the start
9 transferred in from replacement heifers
9 transferred out to cows
9 at the end

Purchased Calves

14 at start (600 lb. average)
14 sold (900 lb. average)
10 purchased (550 lb. average)
20 transferred in from shared calves
30 at the end (600 lb. average)

Share Cattle

30 shared cows - your share 20 calves born
20 transferred out to purchased calves

Enter quantity and weight for all classes of livestock in each column

Schedule 3

Description	Program Year Starting Inventory		Births # of Head	Purchase # of Head	Average Purchase Weight	Sales # of Head	Average Sale Weight	Deaths # of Head	Transfers		Program Year Ending Inventory		
	# of Head	Avg. Weight							In	Out	# of Head	Avg weight	Fair Market Value
BEEF: Breeding Bulls	3			1		1					3		
Cows	120							1	9	12	116		
Bred Heifers	9								9	9	9		
Open Cows/ Culls						12			12				
Heifer Calves kept for replacement	10	600 lbs				1	1000 lbs		5	9	5	600 lbs	
Home-Raised Calves	0		108			91	520 lbs	6		5	6	600 lbs	
Purchased Calves	14	600 lbs		10	550 lbs	14	900 lbs		20		30	600 lbs	
SWINE: Boars													
Sows and Gilts													
Weaners 0-50 lbs													
Growers 51 -150 lbs													
Finishers 151 -220 lbs													
Market Hogs 221 -250 lbs													
Shared calves			20							20			

Starting Inventory (+) Births (+) Purchased (-) Sales (-) Deaths (+) Transfers In (-) Transfers Out= Ending Inventory

COMPLETE IF YOU CUSTOM FEED:	
Type of animals custom fed (i.e. beef feeders):	beef feeders
Number of animals custom fed:	60
Average custom feed days per animal:	180

DAIRY: Number of Hectolitres Sold: _____
 POULTRY: Number of Dozen of Eggs Sold: _____

~ NOTES ~



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