

G Farming

[REVISION 27](#)
(12/01/13 – 01/31/14)

[For MA after 2013](#)
[See the EPM](#)

Income from a self employed farmer is COUNTABLE.

To be self employed as a farmer, the participant must meet either of the following criteria:

- Be engaged in a farming activity for the purpose of producing income
- Have direct involvement in the farming activity

NOTE A person who rents his land to another person to raise a crop is not a self employed FARMER.

Irregular or unpredictable expenses may occur when producing self employment income from farming. The [participant's statement](#) regarding predictability of farming expenses is acceptable unless questionable.

Participants who receive self employment income from farming may choose ONE of the following budgeting options:

- Averaging farming income and expenses over a 12 month period
- Budgeting farming income and expenses for the month anticipated to be received (income) or billed (expenses)

Self employment income losses from farming may be offset against OTHER COUNTABLE income. Farming losses occur when costs of producing self employment income are more than the income.

To claim losses that exceed the self employment income, BOTH of the following must exist:

- The farmer must receive or anticipate receiving \$1,000 or more gross annual income from the farming business
- The farmer must have direct involvement in the farming activity

Calculate farming losses as follows:

- Anticipate and average the monthly losses using the same option chosen by the participant for budgeting income
- Subtract the losses from the self employment income when income exists

NOTE When the farming income was annualized, DO NOT subtract monthly losses when the farmer stops farming during the approval period.

- Subtract any remaining losses from other NET self employment when other self employment income exists
- Subtract any remaining losses from OTHER COUNTABLE income

WARNING

Contact the [Policy Support Team](#) for special keying procedures when farming self employment income is less than the cost to produce the income

When farming self employment is terminated, farm property (including land, equipment and supplies) are NOT COUNTABLE for the resource determination for 12 months. This period of exclusion begins on the date the self employment farming stops.

Complete the following on SEEI:

- Key N in the EXP field

NOTE Farming self employment does not use the [self employment expense deduction](#). Subtract all countable expenses from the income.

- Key FA in the INCOME TYPE field
- Key the calculated amount from above in the MONTHLY GROSS field