In some ways, farming is a business like any other. Many new farmers justifiably worry that they may unknowingly fail to follow the rules, get the right licenses, or file the right forms.

Interestingly, there is no “license to farm.” One can't be a barber in North Carolina without completing at least 1,528 hours of training, apprenticing for 12 months, and passing an exam, whereas anyone can choose to start farming tomorrow. However, this does not mean farms are exempt from law and regulation. Depending on what a farmer grows, where they grow it, and how they sell it, there are laws to be aware of. There may be specific licenses, inspections, certifications, and tax procedures to follow.

The goal of this publication is to offer an overview of regulatory components of a farm business and provide resources to find more detailed information. This is not a comprehensive guide and all farmers are expected to conduct their own due diligence in determining the required actions for their operations.
Licenses

Privilege or Business License

Business Link North Carolina (BLNC) works in partnership with the North Carolina Department of Commerce to be a one-stop resource for information on all the licenses and inspections your business may need. Reach BLNC at 800-228-8443 or blnc.gov.

Some locations—especially within town or city borders—require that anybody selling anything have a business license, sometimes called a privilege license. This is more likely to be enforced if a farm has a visible location to receive customers, such as a farm store or roadside stand. This is a yearly fee, typically in the $25–$100 range. For more information, or to pay this fee, ask at your town hall or county office.

Getting a business license is not the same as incorporating or registering your business name. If you are interested in incorporating your farm, get legal advice and then do so through the NC Department of Secretary of State (sosnc.gov). If your farm is not going to be incorporated, then it is wise to register your business name with your County Register of Deeds (ncard.us).

Meat Handler’s License

You must become a registered meat handler if you wish to sell meat or poultry. Contact the North Carolina Department of Agriculture & Consumer Services (NCDA&CS) Meat and Poultry Inspection Division (ncagr.gov/meatpoultry) at 919-707-3180 to start the process. A member of their field staff will visit, and you will need to fill out some simple paperwork. Most farmers say this is not a difficult process.

Taxes

Income Tax

Farming is not a tax-exempt activity. Most farms, with the exception of those who choose one of the more elaborate and corporate structures, will pay taxes using the IRS Schedule F. This form itemizes all of your farm’s income and expense items and states your profit or loss from farming. Any profit or loss then carries over to your personal income tax form, such as a 1040, and becomes part of the personal or household tax liability. As with any business, it is wise to educate yourself so that you can set up your business’s legal structure and make ongoing choices that reduce your tax burden.

Property Tax

Farmers should be aware of the Present-Use Valuation (PUV) program administered by county tax departments. This program allows your property to be taxed based on its use for farming or forestry and the quality of its soils, instead of based on its development value. The minimum parcel size to qualify ranges from 5 to 20 acres, depending on use. For the purposes of PUV, the types of farming within each land use category are as follows:

1. Agriculture: agronomic crops (such as grains), plants, and livestock
2. Horticulture: fruits, vegetables, nursery, and floral products
3. Forestry, commercial tree production

For land in Agriculture or Horticulture, buildings required for your business, such as barns and outbuildings, can count toward the minimum acreage requirements. If a pond contributes directly to your production systems, you may also be able to count it toward minimum acreage requirements.

To learn more, find the Present-Use Valuation Program Guide by searching ncdor.gov.
Sales and Use Tax
Sales tax is a system by which retail merchants collect a tax from customers and pass it on to the state. A retail merchant is a business that sells a product directly to the final customer. The retailer does not gain or lose money and only serves as a pass-through from the customer to the government; the only cost is your time. There are two sales tax rates in North Carolina and they can vary between counties. Certain foods have a tax rate at 2 percent; most other items have a tax rate at or around 7 percent.

Farms that only sell wholesale do not have to collect sales tax. The retailer will collect on your products when they sell to the end user. For farms that sell retail (direct to the final customer), raw, unaltered produce sold by the person who grew it is also exempt. If you only sell fruits and vegetables grown on your farm to final customers (such as at a farmers market or a CSA), you do not have to collect sales tax.

The rules are more complicated regarding other specific farm products. For example, if you add seasoning of any kind to raw vegetables, they become taxable. Live animals are untaxed, but raw cuts of meat are taxed at 2 percent. To view a helpful paper from the North Carolina Department of Revenue, search ncdor.gov for Qualifying Farmer or Conditional Farmer Exemption Certificate Number. Section 8 of the Sales and Use Tax Technical Bulletin covers farming.

A North Carolina general statute requires farmers who sell at farmers markets to register with the North Carolina Department of Revenue (NCDOR) and obtain a Certificate of Registration even if no tax will be due. New retailers should go to ncdor.gov for more information about sales and use tax registration. Once signed up, make sure you file as required, usually monthly—there can be heavy late fees.

Sales and Purchase Exemptions
Farms may have a sales tax exemption from NCDOR when purchasing certain items, such as farm equipment, certain supplies, and even on-farm fuel. To apply for exemption, complete Form E-595QF online or mail it to the state to receive an Exemption Certificate Number. Contact your local NCDOR office for more information or go to ncdor.gov and search for E-595QF.
Food Safety

The Food Safety Modernization Act (FSMA), is a mandatory regulation signed into U.S. law in 2011. Farmers need to be aware of how it applies to them. For produce growers it is important to determine if 1) your farm or products are covered by FSMA’s Produce Safety Rule (PSR) and 2) if your farm may be eligible for a qualified exemption.

Not Covered by PSR: Farms with average annual produce sales of $28,561 or less for the previous three-year period are not covered by the PSR. These farms may be required to show financial records. This dollar amount is adjusted annually to account for inflation. It is advisable to check the new dollar amount annually if your farm’s sales are around this number.

Farms that only grow produce on the “rarely consumed raw” list are also exempt from the PS Rule.

Farms that only grow produce intended for commercial processing or manufacturing that includes a step to kill pathogens are exempt from the PSR. Sales to restaurants do not count.

PSR Qualified Exemptions: Farms with annual produce sales over $28,561 are covered by the PSR, but may be eligible for a qualified exemption if both of the following are true:

1. The majority (51% or more) of the farm’s food sales are to Qualified End Users (QEU). A QEU is:
   a. a person who will eat your food, such as to farmers market, farm stand, CSA, online store, and other direct sales customers;
   b. grocery stores that you deliver to directly that are within 275 miles of your farm;
   c. restaurants within 275 miles of your farm.

2. The farm’s average annual monetary value of food sales for the past three years was less than $571,214. (This dollar amount also changes annually based on adjusted inflation rates published by the FDA.)

Distributors, wholesalers, brokers, processors, and packers are not Qualified End Users.

Farms with qualified exemptions must comply with these modified requirements:

1. The farm must keep financial records to prove the monetary value of annual food sales.

2. The farm must comply with labeling requirements. The name and complete business address of the farm where the produce was grown must be on the produce label, on display at the point of purchase, or in the documents delivered with a shipment of produce.

3. Produce must be grown under sanitary conditions and not adulterated in any way. An example of adulterated food is produce that was inundated with river flood water.

The FDA can withdraw a farm’s qualified exemption if a farm sells adulterated produce; if a farm is being investigated as the source of a foodborne illness outbreak; or if the FDA determines that some element of the farm’s condition or the conduct of personnel pose a threat to public health.

Covered by PSR: All other farms are considered covered farms. Covered farms need to have at least one representative attend a Produce Safety Alliance (PSA) Grower training by the compliance date. For a list of covered produce and not covered produce, compliance dates, and more details, search ncfreshproducesafety.ces.ncsu.edu for “FSMA’s Produce Safety Rule: An Overview” by Elena Rogers. NC Extension also offers a handy tool for determining if your farm is covered, not covered, or qualified exempt with modified requirements. Search ncfreshproducesafety.ces.ncsu.edu for “Determine where your farm falls under the Produce Safety Rule (PSR) Template for 2021.”

All farmers, but particularly produce growers, should keep updated on food safety changes. Your Cooperative Extension County Center (ces.ncsu.edu/local-county-center) is an excellent source of information and training. Farms with interest in wholesaling should also work down the path toward GAP certification.
Certifications

Good Agricultural Practices (GAP) Certification

Good Agricultural Practices (GAP) and Good Handling Practices (GHP) are voluntary audits that verify that fruits and vegetables are produced, packed, handled, and stored as safely as possible to minimize risks of food safety hazards. Unlike FSMA’s Produce Safety Rule, these certifications are not required by law, but are often required by large-scale buyers and buyers that feed high-risk populations. Examples of buyers that typically require GAP certification are grocery stores, regional distributors, school systems, hospitals, and other institutions.

Carolina Farm Stewardship Association (CFSA) has a GAP manual specific to small farms (carolinafarmstewards.org/gaps-manual) and offers free one-on-one consulting to farms working to become GAP certified. Additionally, North Carolina Department of Agriculture and Consumer Services (NCDA&CS) developed the GAP Certification Assistance Program to offer cost share assistance for certification when available. NCDA&CS also offers cost share assistance for water analysis to encourage water testing as part of a pre- and post-harvest food safety program for fruit and vegetable crops (ncagr.gov/markets/NCgradesvc).

Organic Certification

In the United States, “organic” is a federally regulated claim. Since 2002, the USDA has regulated what it means to be “organic” in the United States. Only farms that are certified organic are allowed to claim that their products are organic.

The USDA authorizes a network of about 80 independent, third-party agencies to carry out the work of certifying farms, processors, handlers, and wild foragers as certified organic. Farms can choose to work with any of the certifiers. Each certifier has a different fee structure, so it is worth shopping around for a certifier that is a good fit for your operation.

The best place to start your research into certifiers is the USDA’s Organic Integrity Database (organic.ams.usda.gov/integrity). Choose the advanced search option and filter by county and state. This will give you a list of all certified operations in a county as well as details on what they produce, how long they have been certified, and which certifying agency they use.

The annual cost of certification varies significantly based on the size, diversity, and complexity of the farm as well as how organized a farm is. Organic certification requires a lot of record keeping. The more organized and thorough records are, the quicker the inspector and certifier can move through the farm’s annual inspection and audit. That typically means a cost savings for the farm.

Farms with less than $5,000 gross annual organic sales are allowed to use the word “organic” without becoming certified organic. It is not legal for farms with over $5,000 in gross annual organic sales to claim to be organic. The USDA has a helpful document called “What farms and businesses are exempt from organic certification?” that covers all you need to know about the $5,000 exemption and as well as frequently asked questions and myths about organic certification. (The easiest way to find this document is to Google the title.)

It is not legal to represent a farm product as “organically grown” or “non-certified organic” unless it meets the $5,000 exemption or is certified organic. If a farm is reported to the USDA for fraudulently claiming to be organic, the farm may be subject to significant fines. There are many ways for a farm to represent their growing practices without violating federal law.
Other Certifications

Other certifications of production methods used by farms include: Certified Naturally Grown (naturallygrown.org), Certified Biodynamic (demeter-usa.org), Animal Welfare Approved (animalwelfareapproved.us), and Certified Humane (certifiedhumane.org).

Appalachian Grown: Certified Local

ASAP’s Appalachian Grown™ program certifies food and agricultural products grown or raised on farms in Western North Carolina and the Southern Appalachian Mountains. The Appalachian Grown label helps consumers, retailers, and wholesalers better distinguish and identify local agricultural products. To become certified, you must be a family farm located in a certain geographic area and agree to only label products as Appalachian Grown if they were grown on your farm or another certified farm. Find out more at asapconnections.org/resources/appalachian-grown-certification.

NC Branding

Farms interested in participating in the North Carolina state branding program, Got to Be NC, can become a member at gottobenc.com.

Land Use

Zoning, Limits on Land Use, and Right to Farm

Farms in city and town jurisdictions need to be aware of the zoning designation of their farm, especially regarding farm stores or stands. Cities, some towns, and a few counties do regulate land use so that stores with busy parking lots can’t be built in quiet residential neighborhoods. However, North Carolina law says that local governments have limited authority to regulate the land use activities of “bona fide farms.” For example, if your local government places a limit on small or large livestock, as a true working farmer you may find the law does not apply to you. The use and interpretation of these rules varies from place to place.

Very few neighborhood homeowners associations (HOAs) allow for commercial businesses. HOAs have the legal right to prohibit agricultural land use and farm businesses within their neighborhood. Before purchasing or leasing land, make sure that your business plans are allowable.

North Carolina has Right to Farm laws. They protect you (somewhat) from lawsuits by neighbors and developers who consider a farm a “nuisance” because of sounds, smells, dust, flies, etc. The law says that if a farm has been in existence for more than a year, was not a nuisance when founded, and has not undergone a “fundamental change” within the last year, it cannot become a nuisance because the conditions around it changed. In other words, if somebody chose to build a housing development next to your manure pile, the law says that is their problem. But this does not override common sense.

North Carolina law also requires that certain Best Management Practices be used with livestock to minimize odor, maintain clean rivers, prevent chemical dumping, etc. To learn more, contact your local Extension office. The North Carolina Department of Agriculture and Consumer Services (NCDA&CS) offers an Agriculture Cost Share Program to help farmers with the cost of implementing many of the Best Management Practices.

Signage

You can’t just put a sign up anywhere. With the exception of some town and city residential zones, a sign on your own property is fine, but you may still need a permit. Contact your local planning department for more information. Signs on the right-of-way of state roads and highways are common in rural areas but are not legal, so do not be surprised if your sign is removed by North Carolina Department of Transportation (NCDOT) and you do not get it back. Right-of-way width varies; 50 feet from the centerline of the road is typical. If there is a key intersection where you want signage
to direct people to your farm, your best bet is to talk with the property owner about posting a sign beyond the right-of-way, with the proper permits in place.

NCDA&CS has an official Agricultural Tourism Highway Signs Program for major highways, but it is slow-moving, expensive, and requires that your farm have regular hours most of the year (look at ncagr.gov/markets/agritourism/HighwaySignInfo.htm for more information).

Waste Management and Use of Agricultural Chemicals on Your Land

Application of restricted-use pesticides on the farm scale requires a Private Pesticide Applicator Certification from NCDA&CS. Training and exams are available at county Cooperative Extension offices. For larger animal waste systems and other activities that could cause pollutant discharge into waterways, there are state and federal laws that restrict your activity and may require permitting. A great source of information on these laws, as well as the various cost-share programs that can help you pay for environmental improvements, is your local Soil and Water Conservation District (ncaswcd.org) office.

Labor

In many ways, laws governing labor on the farm are the same as for any other employer. In some ways, farms enjoy special legal considerations. For example, there are certain exemptions from overtime laws and youth employment regulations for farmers. There are also specific laws regarding the registration and use of farm labor contractors (typically employed to manage farm worker crews).

You may also be wondering whether you can get in trouble when you rely on minimally compensated farm interns and apprentices. Apprentice programs can be perfectly legal but must meet certain criteria under the US Department of Labor’s (DOL) Fair Labor Standards Act. See DOL’s “Fact Sheet #71: Internship Programs Under the Fair Labor Standards Act” for details (search for it at dol.gov). There are laws governing reporting of this labor. In-kind compensation, such as housing or food, may not be over-valued. Exemptions for small farmers employing fewer than five full-time employees or employees who live off of the farm can allow for more flexible labor programs without minimum wage requirements.

Federal and state departments of labor, the Occupational Safety and Health Administration (OSHA), and the Internal Revenue Service (IRS) all govern worker laws, so be sure to research your particular intentions before you start the hiring process. For a more specific explanation of these issues, refer to the following publications:

“Ag Apprenticeship Toolkit” (nesfp.org/resources/ag-apprenticeship-toolkit), developed by the Ag Apprenticeship Learning Network and published by the New Entry Sustainable Farming Project. In addition to being an excellent guide to apprenticeship/internship labor, page 18 provides a detailed list of all relevant federal, state, and local labor regulations that govern all types of farm labor.


“Structuring Labor on the Small Farm” (organicgrowersschool.org/farmers/structuring-labor-on-the-small-farm), published by Organic Growers School.

A special note about volunteers: In the United States, for-profit businesses (including farms) cannot legally use volunteers. Anyone performing any type of work for a for-profit farm is legally considered to be an employee and as such, all federal and state employment laws apply. This includes minimum wage, workers’ compensation, and payroll tax. Farms that are legally recognized nonprofit entities are allowed to use unpaid volunteer labor.
Product-Specific Rules and Regulators

Eggs

The North Carolina Department of Agriculture and Consumer Services (NCDA&CS) Food & Drug Protection Division (ncagr.gov/fooddrug/food) regulates eggs. Egg sellers of more than 30 dozen per week must fully comply with the North Carolina Egg Law (ncagr.gov/fooddrug/food/egglaw.htm), which includes regulations on labeling, quality standards, invoices, displays, sanitation, and marketing. Read more at growingsmallfarms.ces.ncsu.edu/growingsmallfarms-meatandeggs.

Reusing cartons is legal if they are clean, but they must be labeled with the name and address of the producer (with previous name and address not visible). Selling eggs at a tailgate market without mechanical refrigeration is legal if they are kept at a safe temperature (under 45 degrees).

Farms that sell fewer than 30 dozen eggs per week have to comply with a simple set of regulations. These farms are not required to wash and grade eggs but must include their farm name and address on the carton and the words “ungraded eggs.” In North Carolina, farms that sell fewer than 30 dozen eggs per week are allowed to sell directly to restaurants and retail grocery stores.

Meats and Poultry

The NCDA&CS Meat & Poultry Inspection Division (ncagr.gov/meatpoultry) regulates large animal and poultry production and processing. Meat animals being sold to the general public must be killed and butchered at either a state (NCDA&CS) or federally (USDA) inspected meat processing plant. There is an exemption for the slaughtering of up to 20,000 (per calendar year) chickens, turkeys, and/or other poultry of your own, raised on your own farm, and sold within North Carolina. Operating under this exemption requires monitoring and scheduled reviews by NCDA&CS to verify that required criteria are being met. It is not legal to sell meat processed by a custom meat processor.

The NCDA&CS Food & Drug Protection Division (ncagr.gov/fooddrug/food) now regulates rabbit production and processing. Regulations generally mirror those of poultry, but with the recent shift in who regulates, the regulatory landscape for rabbits may be in flux. Contact the division with your questions.

Meats and poultry processed at an NCDA&CS-inspected facility can only be sold in-state. Exempt poultry processed on the farm can only be sold in-state. Out-of-state sales, or sales with interstate commerce implied (such as to a grocery chain), are only allowed under USDA inspection.

The labeling of meats is regulated. Any meat processed by a custom meat processor must be labeled by the processor as “not for sale.” When your meats are processed at an NCDA&CS- or USDA-inspected plant, any labeling you intend to use will first need to be approved by regulators, via the plant. For example, your beef cannot legally be labeled “hormone free,” but it can legally be labeled “raised without added hormones.” A helpful resource for understanding labeling claims on meat is “What Do All These Label Claims Really Mean?” (cefs.ncsu.edu/resources/what-do-all-these-label-claims-really-mean-2017), created by the NC Choices program of Center for Environmental Farming Systems (CEFS).

Cheese and Dairy

To sell milk for drinking, milk must be bottled in a Grade A facility. Grade A milk is regulated by the NCDA&CS Food & Drug Protection Division. Milk for cheese can be processed under Grade B conditions. This still requires a sterile environment and commercial-grade equipment. Making cheese on a home stovetop for commerce is not legal. Multiple producers of this type were shut down by NCDA&CS in recent history. A good one-stop information point about cheese and dairy is NC Dairy Advantage (ncdairyadvantage.com).

The Farm Act of 2018, Session Law 2018-113, states that only milk that is Grade A pasteurized milk may be sold or dispensed directly to consumers for human consumption. However, SECTION 15.1.(c) specifies that this does not prohibit the dispensing of raw milk or raw milk products for personal use or consumption or
to independent or partial owners of a cow, goat, or other lactating animal. This allows dairy producers of any species to sell shares of their animals to consumers, often referred to as cowshare or herdshare. In exchange the shareholder has access to that animal’s pasteurized or unpasteurized products (such as milk, cheese, yogurt, etc.).

It is legal to sell raw milk as animal feed or “pet milk,” but it must be clearly labeled with the text “Not for human consumption” and “It is not legal to sell raw milk for human consumption in North Carolina.”

Foraged Mushrooms

To sell foraged mushrooms directly to restaurants, foragers must follow the guidelines set forth by the NC Department of Health and Human Services (NCDHHS) in its “Wild Foraged Mushrooms in North Carolina Food Establishments” statement. These guidelines do not apply to: sale of foraged mushrooms at farmers markets, cultivated mushrooms, or the sale of foraged mushrooms to a food processing plant that is regulated by a food regulatory agency.

To sell to restaurants, foragers must be “approved mushroom identification experts,” and it is the responsibility of both the restaurant as well as the forager to provide and maintain documentation of this distinction. NCDHHS’s criteria to be qualified as an “approved mushroom identification expert” and trainings to achieve this distinction adhere to the suggestions set forth in the Center for Food Protection’s “Guidance Document for a Model Wild-harvested Mushroom Program” (available at foodprotect.org/guides-documents). While a certification course is not required, foragers must be able to provide documentation of their wild mushroom identification training in all wild foraged species being sold, and this training must meet the aforementioned CFP criteria. Individuals interested in meeting CFP criteria may consider the “Mushroom Identification & NC Foraging License Certification” class which has been identified as meeting NCDHHS’s guidelines.

Foragers selling to restaurants must also complete the “North Carolina Wild Mushroom Verification Form” and have the person in charge of the restaurant purchasing the foraged product sign this document as well. This document must be retained by the restaurant for at least 90 days following the sale of the foraged product. Additionally, each container of mushrooms must be affixed with a “North Carolina Wild Mushroom Verification/Sale Tag,” and this tag must stay affixed until the container is empty. This tag must be retained by the purchasing establishment for at least 90 total days following the sale of product.

Processed Food Products

Value-added or processed foods are those that are changed or altered from their raw form. This can include, but is not limited to, drying, canning, chopping, cooking, grinding, or pickling. These products are also regulated by the NCDA&CS Food & Drug Protection Division (ncagr.gov/foooddrug/food). It is important to call the regulators before investing in making these products so that you can understand the requirements for processing and labeling. The current local inspector is Susan Parrish and she is available for questions or to schedule a visit by contacting the division’s main number at 919-733-7366. You can also visit NCDA&CS’s “Starting a home-based food business” webpage (ncagr.gov/foooddrug/food/homebiz.htm) for more information.
Most baked goods, some canned goods, some dried foods, and other low-risk, shelf-stable products can be produced in a home kitchen. The kitchen must be inspected by the NCDA&CS Food & Drug Protection Division. Most farmers and food entrepreneurs report that this is a fairly simple process and field staff are helpful. However, certain factors can prevent approval. For example, a home with pets—even pets that come indoors only occasionally—will not pass inspection.

Many traditional Appalachian practices, such as boiling down sorghum in the open air or grinding cornmeal in the barn, may not be deemed safe enough. High-risk foods, such as refrigerated or frozen products (including dairy products), low-acid canned foods, and seafood products, cannot be prepared in a home kitchen. Products that fall into the high-risk category must be processed in a licensed commercial facility. Contact Susan Parrish at the number above with questions specific to your product or facilities.

People processing acidified foods for sale in rigid (glass or plastic) containers are required to complete a training offered by North Carolina State University (NCSU), Online Acidified Foods Manufacturing School, commonly called “pickle school.” The course is offered online with rolling admission at units.cals.ncsu.edu/foodsafty/courses. The local nonprofit organization Blue Ridge Food Ventures (blueridgefoodventures.org) is often involved in these sessions.

If your home kitchen is not the right place for processing food or making value-added food products, you may want to consider renting space in a shared commercial kitchen, sometimes called a shared commissary kitchen. Shared commercial kitchens are licensed and inspected by the state and typically offer access to the full array of kitchen equipment for a set fee.

**Prepared Foods**

Foods that are served ready to eat (typically with eating utensils or plates) and/or which are not shelf-stable are regulated by the NC Department of Health and Human Services and enforced at the county level. It is almost always impossible to meet the regulations to prepare such foods in a home kitchen, and it is difficult and expensive to do so in a mobile/temporary setting such as a community event. Contact your county Health Department for more information (ncalhd.org).
Risk Management

Insurance

For the most part, insurance is not a regulatory issue. While some buyers require that farms carry product liability insurance in order to supply them, it is generally a matter of choice if and how much insurance to carry. A farm rider on your home policy is not the same as a dedicated farm insurance policy. A farm rider on your home policy is generally weaker and may not assume you are conducting a serious farm business.

Here’s a basic overview of some of the types of insurance a farm may carry:

- A general liability policy helps protect you against most lawsuits, accidents, and damages to the property of others that occurs on your farm, but not damages due to your farm products.
- Product liability coverage helps protect against damage related to your products, such as food-borne illness.
- Property coverage protects against damage to or theft of your farm property and items on that property.
- Crop insurance covers losses due to crops that are planted and don’t reach marketable quality.

Don’t assume that your farm policy covers any or all of these items. Consult with your insurance agent.

A special note on agritourism: In 2005, North Carolina passed a statute that limits liability for farms when inviting the public onto their property for agritourism purposes. A key point is that in order to qualify for the protections this law provides, farms must post a sign on their property with specific text given in the law. Visit nc-ana.org for more details.

Disaster Relief

Widespread crop loss events, such as flood or drought, or events that cause major market disruptions, such as the COVID-19 pandemic, are sometimes followed by relief packages from state or federal agencies. To qualify, it is important to have already registered your farm with the Farm Service Agency (FSA) in your county (fsa.usda.gov). Some relief packages require that recipients carry crop insurance. Nearly all natural disaster relief programs and insurance claims require photo documentation of your crops, buildings, and land before and immediately after the disaster event. It is good practice to take pictures (that are time and date stamped) of your farm at least once a year. Find out more about crop insurance and other support at the USDA Risk Management Agency (rma.usda.gov).
The Last Word

Keeping good records is a first step in meeting the concerns of regulators and helps you make good management decisions for your farm.