Ag Decision Maker

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Lease Supplement for Obtaining Conservation Practices and Controlling Soil Loss

The purpose of this lease supplement is to encourage cooperation between tenants and landlords to obtain and maintain needed conservation practices on a rented farm. Rent charges should reflect cost and risk incurred by farming practices. Conservation practices and improvements will not be made unless agreed to in advance and the tenant has the necessary machinery and management ability. A tenant is not likely to make an important contribution to soil conservation unless additional costs are shared or the tenant is assured repayment of an unexhausted value in case the lease agreement ends. Soil loss control is beneficial to both the landlord and tenant.

Soil Loss

Tenant and landlord shall agree to follow specific conservation practices that will control soil loss for a field or the entire farm. Soil loss limits (tons/acre) have been set under Natural Resource and Conservation Service (NRCS) conservation compliance guidelines. The farm's soil conservation plan provided through the NRCS will recommend alternative soil management practices (mulch or zero tillage, contouring, terraces, rotations, waterways, ground cover, buffer strips, etc.) to maintain soil losses within allowable limits. The plan can be modified if both the landlord and tenant agree.

Selecting and agreeing to specific conservation practices must be done with care to meet the original objective of controlling soil loss.

Cost-Share

Cost-share payments are available for conservation practices. Sharing of expenses and cost-share payments should be a part of the lease agreement. Contact FSA and NRCS offices for information before initiating practices from both federal and state sources.

Ground Cover

Ground cover is needed throughout the growing season. Trips over fields with tillage tools reduce ground cover. Ground cover at planting time should be measured. No-till or reduced chisel-disk systems will maintain adequate ground cover needed on sloping land. Contact local Soil Conservation District (SCD) personnel for determinations of adequate ground cover based on slope, crop, tillage practices, and timing of tillage operations.

Cropping Practices

(check if required)

____ Fields shall be tilled and planted on the contour where feasible.
____ A cover crop shall be seeded on corn ground harvested for silage.
____ Waterways removed by plowing, use of chemicals or other means shall be replaced at the tenant's expense.
____ Tenant shall clip waterways as necessary for maintenance of soil conservation practices.
____ Corn and soybean fields shall have sufficient ground cover at planting time to control erosion within soil loss limits set under the conservation plan.
____ No fall tillage should occur on soybean ground.
____ Soybeans shall not be grown unless soil loss is controlled within soil loss limits set under the Erosion Control Law.
____ No-till shall be used on designated fields.
____ Soybean straw shall not be removed from soybean fields.
____ Crop rotation shall be followed as selected by the landlord on designated field(s).
____ Strip cropping shall be maintained on fields as designated by the landlord.
____ Erosion shall be controlled in farm pond watersheds.

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Permanent Practices

Terraces, farm ponds, windbreaks, water control structures reforestation, waterways, diversion ditches, pasture improvement, buffer zones, and other practices requiring long-range investments may require special agreements between landlords and tenants for installation, maintenance, and sharing of cost and benefit. If the tenant contributes to permanent practices, a value or cost should be determined and depreciation rate and recovery of remaining value determined (see the following table). Any cost share funds received by the tenant should be deducted first.

The **Iowa Custom Rate Survey** can be used to value any labor and machinery that the tenant contributes toward the installation of permanent conservation structures. A depreciation rate of 5 to 7 percent (15 to 20 year life) is appropriate for most structures.

. . . and justice for all
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Description of Farm: County _____ Township _____ Section _____ Acres _____

1. In consideration of the agreements herein contained, the signers agree that the improvements listed in Section A (below) will be completed on the above-described farm on or before the date listed in Section B.

2. It is agreed that the signers will share contributions and costs necessary to the completion of these improvements as set forth in Section C.

3. It is agreed that the estimated value or cost of the tenant's contributions will be listed in Section D.

4. It is further agreed that the estimated value or cost of the tenant's contributions will be depreciated at the uniform annual percentage rate listed in Section E. The year of first depreciation is to be listed in Section F.

5. If for any reason the tenant leaves the farm before the tenant's estimated value or cost (Sec. D) is fully recovered through annual use and deprecation (Sec. E), then the landlord will pay the tenant for the remaining undepreciated value of the tenant's investment.

6. It is agreed that each item as set forth opposite the signatures of the landlord and tenant will be viewed as a separate contract supplemental to the lease. New items may be agreed upon at any time during the term of the lease and recorded in the spaces below.

Section A Type and location of improvement	**Section B** Date to be completed	**Section C** Percentage of contributions assumed by landlord (L) or by tenant (T)						**Section D** Estimated value or cost of tenant's contribution	**Section E** Annual rate of depreciation (percent)	**Section F** Lease year when depreciation begins	**Section G** Date signed	**Section H** – Signatures I hereby accept my indicated share of the responsibility for the improvements recorded in Section A, which I have approved.
		Materials		Labor		Machinery or trucking						
		L	T	L	T	L	T					
												L. T.
												L. T.
												L. T.
												L. T.
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