

Canadian Agricultural Partnership Programs for Garden Centre Retailers?

Most nursery farms are familiar with these program and do apply. But if you are a garden centre that grows some or all of the plants you sell, you may be eligible too. Growing ornamental crops is farming.

You are eligible for these programs when:

- You have farmed and reported Farming Income (or loss) to the CRA for income tax purposes
- Completed a minimum of 6 months of farming activity
- Farm in Canada

Three programs that can help you especially this year when net income will be affected by the COVID-19 crisis.

1. AgriInvest

- Each year you can deposit up to 100% of your Allowable Net Sales to your AgriInvest account (held at your bank) and receive a matching government contribution on 1% of your Allowable Net Sales
- The limit on matching government contributions is \$10,000 per year
- You can withdraw funds from your AgriInvest account at any time
- Government contributions and interest are taxable at time of withdrawal
- Your deposits are not taxable at time of withdrawal

Allowable Net Sales = net sales of primary agricultural commodities, which includes ornamental crops

2. AgriStability

- Provides support when you experience a large margin decline due to production losses, increased costs or market conditions
- Payments are made when your current year program margin falls below 70% of your reference margin
- Cost to enrol is \$315 per \$100,000 of reference margin
- Calculations of reference margins are complicated to explain but most accountants are familiar with the program and how to apply

Program margin – allowable income minus your allowable expenses in a given year with adjustments for changes in receivables, payables and inventory.

Reference margin – your average program margin for three of the past 5 years (the lowest and highest margins are dropped from the calculation). If you haven't been farming for 5 years the reference margin can be estimated based on your current farming income and expenses.

3. Advanced Payment Program (APP)

- Low interest cash operating line of credit for farmers – including growers of nursery stock and flowers
- Up to \$1million available (\$100,000 at 0% interest, the rest at prime interest rate)
- Loan amounts are 50% of the anticipated value of the ornamental products you are growing or have in storage
- Need to be enrolled in AgriStability as security for the loan

Contacts:

Advance Payment Program:

- Agricultural Credit Corporation <https://www.agcreditcorp.ca>
- AAFC 1-866-367-8506 or <https://www.agr.gc.ca/APP>

CAP Programs:

AgriStability:

- BC, SK, AB, ON, QC and PEI deliver provincially
- BC <https://www2.gov.bc.ca/gov/content/industry/agriculture-seafood/programs/agriculture-income-protection-agristability>
- SK https://www.scic.ca/agristability/?utm_source=saskcropinsurance.com&utm_medium=301
- AB <https://afsc.ca/income-stabilization/agristability/>
- ON <https://www.agricorp.com/en-ca/programs/agristability/Pages/Overview.aspx>
- QC <https://www.fadq.qc.ca/en/agristability/description/>
- PEI <https://www.princeedwardisland.ca/en/information/agriculture-and-land/agristability-program>
- MB, NB, NS, NL and Yukon delivered federally <http://www.agr.gc.ca/eng/?id=1374758661655>

AgriInvest:

<http://www.agr.gc.ca/eng/agricultural-programs-and-services/agriinvest/?id=1291828779399>