



CAIS
PCSRA

What is CAIS?

CAIS is a joint federal/provincial/territorial Business Risk Management program. CAIS protects you against large and small drops in your farm income in a given year. CAIS replaces the Net Income Stabilization Account (NISA) program and the Canadian Farm Income Program (CFIP).

For More Information

Visit the Web site at:
www.agr.gc.ca/caisprogram

Call Toll-Free:
1-866-367-8506
8:00 a.m. to 5:00 p.m. CST, Monday to Friday

Write:
CAIS Administration
P.O. Box 3200 Station Main
Winnipeg, MB
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Canadian Agricultural Income Stabilization (CAIS) Program

Program Brochure



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Support for Canada's Producers

The CAIS program is in place to help producers protect their farm income from risks such as weather, diseases and low market prices. This brochure describes how the program works, who can participate and how it can benefit you.

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CANADIAN AGRICULTURAL INCOME STABILIZATION (CAIS) PROGRAM

How does CAIS work?

You receive a payment from CAIS when your current year farm income is less than your average farm income from previous years. The amount of support you receive is based on the level of protection you choose. To secure your desired level of protection, you will be required to open and deposit money into a CAIS account at a participating bank, credit union or other financial institution.

The CAIS program is based on margins:

Production margin – your allowable income¹ minus your allowable expenses¹ in a given year.

Reference margin – your average production margin for three of the past five years (CAIS drops the year in which your production margin was lowest and the year in which it was highest).

Once your production margin is determined, adjustments are made for changes in your receivables, payables and inventory in the current year. These changes are made based on

supplementary information you submit to the CAIS Administration on the CAIS Supplementary Forms and Guide.² These adjustments help to estimate your potential income/loss for the year.

Should your production margin fall below your reference margin in a given year, you will receive a program payment based on your selected level of protection. Your payments will be made up of funds from your CAIS account and a government contribution. The greater your loss, the larger the government contribution.

If your production margin does not drop, you can leave your money in your CAIS account to protect yourself in the future.

How do I participate?

To participate in the CAIS program, follow these easy steps:

- Complete and return your CAIS Options Notice, indicating your desired protection level for the

program year. If you have not received an options notice, please call **1-866-367-8506**.

- Open a CAIS account at a participating bank, credit union or other financial institution and deposit the amount required for your selected level of protection.
- Submit your farming income (or loss) for tax purposes on a T1163 (or a corporate form for entities). The deadlines for these forms are set by Canada Revenue Agency as June 15 for an individual or June 30 if you are an entity.

Once you are enrolled in the program, you will receive a package of CAIS supplementary forms requesting more information about your farming income and expenses. This information will be used to determine whether you are eligible for a program payment.

Who can participate?

Individuals³, co-operatives and corporations can participate in CAIS. To be eligible, you must have:

- farmed for at least six straight months during the program year and reported your farming income (or loss) to Canada Revenue Agency for tax purposes; and
- completed (or attempted to complete) a production cycle during the program year.

If you have participated in NISA:

Producers retain ownership of the funds in their NISA accounts, even with the implementation of the CAIS program. Money in Fund 1 can be rolled into a CAIS program account to meet the program's deposit requirements. For more information on how to transfer NISA Fund 1 money into a CAIS program account, contact the NISA Administration at **1-800-665-6472**.

¹For more details on CAIS allowable income and expenses, please refer to the CAIS program Handbook and the CAIS Supplementary Forms and Guide.

²These forms are in addition to the forms you submit to Canada Revenue Agency reporting your farm income and expenses.

³In a partnership, partners participate as individuals.