



People.
Programs.
Progress.

STRONGER FARMS.
STRONGER COMMUNITIES.
A BRIGHTER MISSISSIPPI.

*From
New Farmers
to Generational
Growth.*

FARMER'S GROWING ACADEMY™

FARMING IS A BUSINESS

Build the Business. Get USDA Ready. Grow the Operation.

STUDENT MANUAL

*Real Farmers. Real Ranchers.
Real Opportunities.*



LAND.
ANIMALS.
PEOPLE.
OPPORTUNITY.



BUSINESS.
MARKETS.
PROFITABILITY.
SUSTAINABILITY.



EDUCATION.
TECHNICAL ASSISTANCE.
USDA PROGRAMS.
EQUITABLE ACCESS.



STRONGER
FARMS.
STRONGER
COMMUNITIES.



U.S. Department of Agriculture
National Institute of Food and Agriculture
Equal Opportunity Provider, Employer, and Lender.

Invest in Your Land. Invest in Your Future.

CULTIVATING PEOPLE. STRENGTHENING FARMS. BUILDING A BRIGHTER TOMORROW.

FARMING IS A BUSINESS

Business Structure & USDA Readiness

For beginning farmers and ranchers, military veterans, limited-resource, urban, and underserved producers.

Build the business. Get USDA ready.
Grow the operation.

STRUCTURE

Ownership
Liability
Taxes
Management

Your structure affects risk, taxes, control, and growth

LIABILITY

Who is legally responsible if the farm owes money or someone is injured?

TAXES

Which federal and state returns are filed—and how profit reaches the owners.

CONTROL

Who may make decisions, sign contracts, borrow money, or admit new owners.

CONTINUITY

Whether the business can continue when ownership or management changes.

The “easiest” structure today may not be the safest structure for tomorrow.

Four common structures serve different needs

Sole proprietorship

One owner • simplest setup

Owner and business are legally the same.

LLC

One or more owners

Flexible management with a legal liability shield.

Partnership

Two or more co-owners

Shared operation; a written agreement is essential.

Corporation

Shareholders + directors

More formal governance; built for continuity and investment.

An S corporation is a federal tax election—not a separate Mississippi business structure.

A sole proprietorship is simple—but the owner carries the risk

BEST FIT

A single producer testing a small, low-risk operation with no co-owners.

- Easy to begin
- Income usually reported on the owner's return
- May use a trade name

WATCH THE RISK

There is no legal separation between the owner and the business.

- Personal assets may be exposed
- Harder to divide ownership
- Structure may need to change as the farm grows

An LLC offers flexibility and a separate legal identity

LIMITED LIABILITY COMPANY

Often practical for a farm that signs leases, sells products, hires workers, hosts visitors, or owns equipment.

Mississippi formation document: Certificate of Formation

Key safeguards

- Use a written operating agreement
- Keep business and personal money separate
- Sign contracts in the LLC's legal name
- Maintain insurance—the LLC is not a substitute
- File the Mississippi annual report

Co-owners need written rules before money or land is committed

PARTNERSHIP

Two or more people carry on the farm together. Without clear written terms, disputes can arise over profit, labor, equipment, debt, and authority.

Put these rules in writing

- Ownership percentages and contributions
- Who owns or leases the land and equipment
- Who may borrow, buy, sell, or sign
- How profits, losses, and labor are handled
- What happens if an owner leaves, dies, or disagrees

Many co-owned farms use a multi-member LLC—but legal and tax advice matters.

A corporation is formal; S status changes federal taxation

CORPORATION

A separate legal entity owned by shareholders and governed through directors and officers.

- Articles of Incorporation
- Bylaws, meetings, and records
- Potential fit for outside investors or succession planning

S CORPORATION ELECTION

An eligible corporation or LLC may ask the IRS to be taxed under Subchapter S.

- Not a Mississippi entity type
- Payroll and compliance may increase
- Discuss timing and eligibility with a tax professional

Choose by asking what could happen—not only what costs less

1

Will customers, workers, volunteers, or guests enter the farm?

2

Will the business borrow, lease land, own equipment, or sign contracts?

3

Will anyone else own part of the operation now or later?

4

Could the farm add agritourism, prepared foods, events, or employees?

5

What should happen if an owner dies, divorces, becomes disabled, or leaves?

More risk or more owners usually means stronger written structure and professional advice.

Mississippi formation follows four practical steps

1

Choose the structure

Decide ownership, liability, management, and tax needs before filing.

2

Check the name

Search the Mississippi business database and choose the exact legal name.

3

File online

Create a filing account and submit the correct formation document.

4

Organize records

Adopt internal rules, obtain an EIN when needed, and open business accounts.

Mississippi business documents are filed through the Secretary of State's online system. Filing payments are nonrefundable.

Know these Mississippi filing terms before you click “submit”

Legal name

The official name shown on state, IRS, bank, contract, and USDA records.

Registered agent

A Mississippi contact authorized to receive legal papers for the entity.

NAICS code

An industry code describing the farm’s primary business activity.

Formation document

Certificate of Formation for an LLC; Articles of Incorporation for a corporation.

Trade name / DBA

A public-facing name that differs from the legal owner’s name.

Search first, spell the name consistently, and save every confirmation document.

Build the business foundation after the state filing

1. EIN

Apply free through IRS.gov. Form the state entity first when creating an LLC or corporation.

2. Banking

Use the exact legal name and EIN. Keep farm income and expenses out of personal accounts.

3. Bookkeeping

Track sales, expenses, payroll, assets, loans, grants, and owner contributions.

4. Protection

Match insurance to crops, products, vehicles, workers, events, livestock, and premises.

Never pay a third-party website just to obtain an EIN—the IRS issues EINs free.

Registration creates ongoing responsibilities

MISSISSIPPI

- File required annual reports with the Secretary of State
- Register with the Department of Revenue when tax obligations apply
- Set up withholding when hiring employees
- Check county and city permits or privilege licenses

FEDERAL + BUSINESS

- File the returns required for the chosen tax classification
- Maintain payroll and contractor records
- Renew insurance and contracts
- Update address and responsible-party information

Mississippi annual reports for profit corporations and LLCs are generally due April 15. Verify current rules before filing.

Use the same legal identity across every farm record

MISSISSIPPI SOS

Legal entity name



IRS

EIN + tax
classification



BANK / INSURANCE

Accounts + coverage

USDA FSA + NRCS

Customer record, farm number, contracts, applications, and payments should identify the correct individual or entity.

A mismatch in names, EINs, ownership, or signing authority can delay banking, taxes, contracts, and USDA assistance.

YOUR NEXT STEPS

Build the structure before the paperwork builds up

1

List every owner and what each will contribute

2

Identify liability, tax, financing, and succession concerns

3

Confirm the legal name and registered agent

4

File through the Mississippi Secretary of State portal

5

Obtain the EIN and open separate business accounts

6

Align tax, insurance, contracts, and USDA records

Before making a final tax or liability decision, consult a Mississippi attorney, CPA, or qualified tax adviser.

Official starting point: sos.ms.gov/business-services-external-affairs

Four 2501 mission areas drive the Academy

Every lesson should move a producer toward business success, USDA participation, stronger relationships, or barrier resolution.

1 • OPERATE SUCCESSFULLY

- Build a viable farm or ranch business.
- Strengthen legal, financial and administrative foundations.

2 • PARTICIPATE IN USDA

- Understand Farm Numbers and USDA programs.
- Prepare records and documents needed to participate.

3 • BUILD RELATIONSHIPS

- Connect with USDA offices.
- Know who to call and what to ask.

4 • REMOVE BARRIERS

- Identify land, financial, operational and administrative obstacles.
- Use technical assistance and referrals.

The business structure is the foundation—not the finish line

The narrative connects legal structure to recordkeeping, profitability, Farm Numbers and USDA applications.

BUSINESS IDENTITY

- Choose a structure that fits ownership and risk.
- Keep the same legal identity across state, IRS, banking, insurance and USDA records.

FINANCIAL READINESS

- Maintain farm records.
- Create budgets and enterprise budgets.
- Prepare financial documents for applications.

USDA READINESS

- Obtain or verify a Farm Number.
- Address heir-property or succession barriers.
- Prepare before application windows open.

Your Farm Number is a gateway

The project identifies difficulty obtaining a Farm Number as a major barrier to USDA participation.

FSA

- Farm Number and customer records
- Farm ownership / operating assistance
- Storage and farm financing resources

NRCS

- High tunnels
- Irrigation and water conservation
- Soil-health and conservation practices

RURAL DEVELOPMENT

- Value-added opportunities
- Rural energy opportunities
- Market-development connections

FNS

- SNAP / EBT retailer pathway
- Customer payment access where eligible

Know your USDA team before you need a program

The Academy is designed to bring producers and USDA representatives into the same room.

BE READY TO EXPLAIN

- What you produce or plan to produce
- Land access and ownership/control
- Business structure and records
- Your 12–24 month goals

ASK USDA

- Which programs fit my operation?
- What documents should I prepare?
- What deadlines apply?
- Who should I contact next?

DOCUMENT FOLLOW-UP

- Representative and agency
- Program or practice discussed
- Documents requested
- Next action and target date

Identify what is stopping the operation from moving forward

The grant is designed to help producers work through access barriers—not merely explain programs.

LAND / OWNERSHIP

- Heir property
- Succession planning
- Proof of control or access

BUSINESS / ADMIN

- Entity formation
- Farm Number
- Registrations and online systems
- Recordkeeping

FINANCIAL

- Enterprise budgets
- Financial statements
- Capital and financing readiness

OPERATIONAL

- Infrastructure
- Insurance and risk protection
- Production and market readiness

Protect the farm, the customer and the business

The narrative places general liability, product liability, GAP/FSMA readiness and biosecurity in the Protection Institute.

GENERAL LIABILITY

- Consider exposure from guests, customers, workers and farm activities.
- Match coverage to the operation.

PRODUCT LIABILITY

- Fresh and value-added products create product risk.
- Insurance is part of the protection plan.

FOOD SAFETY + BIOSECURITY

- Understand GAP and FSMA readiness.
- Reduce contamination and pathogen risks.
- Build safe procedures.

High Yield • Small Acres

The narrative uses intensive production to lower barriers to entry and demonstrate viable production on smaller tracts.

SOIL + SMALL PLOTS

- Soil health, composting and cover crops
- Raised beds / square-foot systems
- Seed saving

CONTROLLED SYSTEMS

- High tunnels
- Drip / micro irrigation
- Hydroponic and aeroponic towers

DIVERSIFICATION

- Animal production
- Pollinator habitat / apiary
- Value-added opportunities

Grow it with a buyer in mind

The narrative moves producers from production to branding, sales, distribution and direct-to-consumer markets.

BUILD THE BRAND

- Logo and farm identity
- Marketing and sales plan
- Tell customers what you produce

SELL DIRECT

- Farmers markets
- On-farm markets
- Social media / internet sales
- Farm-to-table events

BUILD RECURRING SALES

- CSA development
- Inventory and product selection
- Pickup / delivery
- Payment collection

Leave with a next step—not just information

Complete these actions with your Farm Coach or USDA contact.

NEXT 7 DAYS

- Confirm business structure and legal name.
- Organize current farm records.
- Identify your USDA Service Center.

NEXT 30 DAYS

- Start or verify Farm Number process.
- Follow up with FSA / NRCS / RD.
- Resolve one priority barrier.

NEXT 90 DAYS

- Complete an enterprise budget.
- Prepare for an appropriate USDA opportunity.
- Implement one business or market improvement.