

Qualified Exemption Annual Review & Verification Worksheet

A produce farm may be eligible for a QUALIFIED EXEMPTION from the Food Safety Modernization Act (FSMA) Produce Safety Rule (21 CFR § 112) if the farm's annual **food sales** are less than \$500,000 on average over the previous 3 years (adjusted for inflation) **AND** majority of these sales are to **qualified end-users**.

This worksheet may be used to meet the requirement in the Produce Safety Rule (21 CFR § 112.7(b)) that "you must establish and keep adequate records necessary to determine that your farm satisfies the criteria for a qualified exemption ... including a written record reflecting that you have performed an annual review and verification of your farm's continued eligibility for the qualified exemption."

To support this record, retain all sales receipts and documents used to determine calculations for this annual review. The following page provides definitions and defines current inflation-adjusted figures.

Step 1: Record total **food sales** over the previous 3 years:

Year 1: _____ Total Food Sales: \$ _____

Year 2: _____ Total Food Sales: \$ _____

Year 3: _____ Total Food Sales: \$ _____

Average Total Food Sales: \$ _____ (Yr1 + Yr2 + Yr3 = Sum divided by 3 = Answer)

Step 2: Record **food sales to qualified end-users** over the previous 3 years:

Year 1: _____ Food Sales to Qualified End-Users: \$ _____

Year 2: _____ Food Sales to Qualified End-Users: \$ _____

Year 3: _____ Food Sales to Qualified End-Users: \$ _____

Average Food Sales to Qualified End-Users: \$ _____ (Yr1 + Yr2 + Yr3 = Sum divided by 3 = Answer)

Step 3: Calculate the **percentage of food sales to qualified end-users**:

Average Food Sales to Qualified End-Users (from Step 2): \$ _____

Divided by Average Total Food Sales (from Step 1): \$ _____

Multiplied by 100: _____ % (Answers to Step 2 divided by Step 1 x 100 = %)

**If annual total food sales are less than \$500,000 AND the percentage of sales to qualified end-users (from Step 3) is greater than 50%, then your farm is eligible for Qualified Exemption.*

Farm Name: _____

Farm Address: _____

Reviewed by: _____ Title: _____

Signature: _____ Date: _____

This record must be reviewed, dated, and signed by a supervisor or responsible party for your farm to meet the requirements in the PSR 21 CFR § 112.7(b).

What is the Produce Safety Rule?

The Produce Safety Rule is a federal food safety regulation that establishes minimum food safety standards for farms that grow, harvest, pack or hold produce for human consumption to reduce foodborne illness. To learn more: [Food Safety Modernization Act | Office of the Commissioner | NH Department of Agriculture, Markets and Food](#)

Definitions (21 CFR § 112.3)

Food: All food or drink for human and animal consumption. This includes produce and grain, hay, pies, juices, seeds and beans used to grow sprouts, etc. (per section 201(f) of the Federal Food, Drug, and Cosmetic Act).

Food Sales: All food sales from the farm, including human and animal food.

Qualified End-User: The consumer of the food OR a restaurant or retail food establishment located in the same state as the farm that produced the food OR within 275 miles of the farm.

Examples of Qualified End-Users include, but are not limited to, the following when the end-user is in the same state or within 275 miles of the farm: CSA, Farmstand, Grocery Store, or Restaurant.

FDA Produce Safety Rule Inflation Adjusted Cut Offs

For additional cut-offs: [FSMA Inflation Adjusted Cut Offs | FDA](#)

| Baseline Value for Cut-offs (2011) | Value in 2017 | Value in 2018 | Value in 2019 | Value in 2020 | Value in 2021 | Average 3-Year Value for 2019-2021 |
|------------------------------------|---------------|---------------|---------------|---------------|---------------|------------------------------------|
| \$500,000 | \$549,863 | \$562,119 | \$572,499 | \$579,022 | \$603,202 | \$584,908 |

Modified Requirements for Qualified Exempt Farms

A farm that is eligible for a Qualified Exemption from the Produce Safety Rule must notify Consumers as to the complete business address of the farm where the food is grown, harvested, packed, or held. The compliance date for this requirement was January 1, 2020.

If your farm is eligible for a Qualified Exemption, you must comply with certain modified requirements and keep documentation as per Sections 112.6 and 112.7 in the rule, including the following subparts:

1. Subpart A (General Provisions)
2. Subpart O (Records)
3. Subpart Q (Compliance and Enforcement)
4. Subpart R (Withdrawal of Qualified Exemption)

These subparts can be reviewed electronically: [eCFR: 21 CFR Part 112 – Standards for the Growing, Harvesting, Packing, and Holding of Produce for Human Consumption](#)

Questions? Contact NH Department of Agriculture, Markets & Food, Produce Safety Program

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