

Annual Qualified Exemption Review (2026)

FSMA Produce Safety Rule Reference § 112.7

To be eligible for a qualified exemption your farm must meet two requirements: 1) farm must have **food**¹ sales averaging less than \$500,000 per year, adjusted⁵ for inflation, during the previous three years; and 2) the farm sales to **qualified end-users**² must exceed sales to all others combined during the previous three years.

A farm with a qualified exemption **MUST** still meet the following two modified requirements: 1) disclosing the name and the complete business³ address of the farm where the produce was grown; and 2) maintaining **records**⁴ to prove that you meet this qualified exemption. Completing this worksheet is one way to maintain these records.

Farm Name and Address: _____

Step 1: Total Food Sales¹ Review

Year 1 (Sales Year 2023) _____
Year 2 (Sales Year 2024) _____
Year 3 (Sales Year 2025) _____
Previous 3-Year Sum _____
(A) Previous 3-Year Average _____
(B) Inflation Adjusted Threshold **\$686,476 (2023-2025)**

Your average food sales (A) must be less than the food sales threshold adjusted⁵ for inflation (B)

Step 2: Sales to Qualified End-Users² (QEU)

QEU are consumers of the food. QEU sales can occur at a farmer's market, U-Pick, CSA, or on-farm store. Direct sales to businesses like grocery stores and restaurants may also qualify.

	Sales to QEU	Sales to non-QEU
Year 1 (Sales Year 2023)	_____	_____
Year 2 (Sales Year 2024)	_____	_____
Year 3 (Sales Year 2025)	_____	_____
Previous 3-Year SUM	_____	_____
Previous 3-Year AVERAGE	_____	_____

Is the 3-year average of sales to QEU greater than the 3-year average of sales to non-QEU? If yes, your farm meets the requirements for a qualified exemption. If no, your farm is not eligible for a qualified exemption.

Based on this information, our farm meets the criteria for a qualified exemption

Completed by: _____ Signature: _____ Date: _____

1 Articles used for food or drink for man or other animals. Includes corn and soybeans fed to animals, sales of meat animals, milk, etc.

2 A qualified end-user is either (a) the consumer of the food or (b) a restaurant or retail food establishment that is located in the same state as the farm or not more than 275 miles away. Sales through a broker are not qualified end users. The term consumer does not apply to a business.

3 Modified labeling requirement - Include the name and complete business address either on the label of the produce (if a label is required under the FD&C Act) or display the same information at the point of purchase (through a sign, label, placard, etc).

4 Complete and sign this or similar worksheet annually. Keep the records on file in case you are asked to provide them.

5 <https://www.fda.gov/food/food-safety-modernization-act-fsma/fsma-inflation-adjusted-cut-offs>

Prepared by Katelynn Stull, K-State Research & Extension. Reviewed by Londa Nwadike, PhD, Kansas State/University of Missouri Extension and Don Stoeckel, PhD, Cornell University Produce Safety Alliance. Funding for this project is made possible in part by grant 1U18FD005895-02 (KS5895) from the FDA. Its contents are solely the responsibility of the authors and do not necessarily represent the official views of the FDA.

Publications from Kansas State University are available at: bookstore.ksre.ksu.edu

Issued in furtherance of Cooperative Extension work, acts of May 8 and June 30, 1914, in cooperation with the U.S. Department of Agriculture, Director of Extension, Kansas State University, County Extension Councils, Extension Districts. Kansas State University is an equal opportunity provider and employer. This publication will be made available in an accessible alternative format or in languages other than English upon request. Please contact ksrenews@ksu.edu to request translation services.