

CUSTOM EXEMPT SLAUGHTER: SHARES

The “Custom Exemption” was added to the Federal Meat Inspection Act (FMIA) and Poultry Product Inspection Act (PPIA) to allow a farmer to have their livestock or poultry harvested locally (and usually more cheaply) by the local butcher shop. Because the livestock and poultry are not inspected, any meat or poultry products produced under the custom exemption cannot be sold and are only for the personal use of the farmer, his family and his non-paying guests (friends!). However, with the move from the more agrarian society of the past to today’s more urban one, many people no longer raise livestock or poultry and have turned to “Shares” to procure locally raised and locally processed meat and poultry.

“Shares” are technically legal under the FMIA and the Custom Exemption but need to be navigated carefully by both farmers and custom slaughterhouses to stay within the confines of Federal and State meat and poultry laws. Specifically:

1. All “shares” must be of LIVE animals. Customers may buy a ½ share of a live goat from a farmer but may not buy 100lbs. of frozen goat processed under the custom exemption. Once the animal has been slaughtered, no more shares may be sold.
2. People who buy “shares” of a live animals are now the legal owners of the animals. For example, if a farmer sells ¼ shares in a cow to 4 people they are now the 4 co-owners of the animal; the farmer no longer owns the animal, even if he is still caring for it.
3. The farmer may charge the new owners for their share of the live animal and may deliver animals and pick up the finished meat and poultry products on behalf of the new owners. He may not charge people directly for finished meat and poultry products.
4. There is no limit to the number of shares that can be sold in an animal. However, the custom slaughterhouse to which the animal is taken is required to keep paperwork for EVERY owner of the animal and may be unwilling to keep 20 sets of paperwork if 20 shares in an animal were sold by the farmer. The farmer should work with their local slaughterhouse to determine the maximum number of owners they will accept.

What about CSAs?

While technically a CSA could utilize the custom exemption, the large numbers of potential owners of an animal in a CSA is problematic (see point #4 above) and only CSA members who bought shares before the animal was slaughtered would be eligible to receive the meat and poultry products. For that reason, it is very strongly recommended that CSAs utilize a state or USDA inspected establishment to provide local meat and poultry to its members.