

For: State and County Offices

Adjusted Gross Income - 2014 Farm Bill Timely Determination

Approved by: Deputy Administrator, Farm Programs



1 Overview

A Background

The “Adjusted Gross Income - 2014 Farm Bill” section in the web-based Subsidiary Eligibility System is designed to determine if a producer is eligible for payments mandated under The Agricultural Act of 2014 (2014 Farm Bill).

County Offices are responsible for ensuring that an IRS determination or State Office and/or SED determination is received timely when a producer certifies to not exceeding the \$900,000 threshold on CCC-941.

B Purpose

This notice:

- advises State and County Offices that beginning on February 26, 2016, an IRS determination or State Office and/or SED determination is required within 120 days of the producer signing CCC-941
- provides guidance on reviewing the Subsidiary County Eligibility Report to determine if a producer has filed CCC-941 and the IRS determination or State Office and/or SED determination was not updated
- provides guidance on reviewing the IRS Mismatch Report to determine if IRS has sent data back to the Subsidiary System and the producer’s name and/or tax ID did not match the information received from IRS.

Disposal Date	Distribution
May 1, 2016	State Offices; State Offices relay to County Offices

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2 Adjusted Gross Income - 2014 Farm Bill Determination

A Introduction

County Offices shall ensure that an IRS determination or State Office and/or SED determination is received within 120 days of the producer certifying to not exceeding the \$900,000 threshold.

Note: Beginning on February 26, 2016, this rule will be enforced.

B AGI 2014 Farm Bill Eligibility

Producers will be determined AGI ineligible for programs that are mandated under the 2014 Farm Bill when the producer has filed CCC-941, and has **not** received an IRS determination or State Office and/or SED determination within 120 days of their certification date. If the producer previously received payments for programs mandated under the 2014 Farm Bill, the producer's payment will automatically be displayed on the Pending Overpayment Report after 120 days. If a payment is attempted for the producer, the producer's payment will be displayed on the Non Payment Report.

County Offices shall resend CCC-941 to IRS when **all** of the following apply:

- IRS determination has not been updated for a producer within 6 weeks from the time CCC-941 was mailed to IRS
- the producer's certification was updated in the Subsidiary Eligibility System AGI 2014 Farm Bill section to "Filed CCC-941"
- the producer's signature on CCC-941 is **not** more than 120 days old
- the producer is not on the IRS Mismatch Report.

Note: See 5-PL, subparagraph 301 F for additional information on mailing CCC-941 and IRS-3210 to IRS.

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2 Adjusted Gross Income - 2014 Farm Bill Determination (Continued)

B AGI 2014 Farm Bill Eligibility (Continued)

County Offices are required to obtain a new CCC-941 from the producer if **all** of the following apply:

- IRS determination has not been updated for the producer
- producer signature on CCC-941 is more than 120 days old
- producer is not on the IRS Mismatch Report
- State Office and/or SED determination has not been updated for the producer.

Producers who filed CCC-941 are AGI eligible for 120 days from the producer certification date while waiting on the IRS determination or State Office and/or SED determination.

3-PL (Rev. 2), paragraph 26 provides information on the AGI 2014 Farm Bill Determination.

3 Reviewing Subsidiary Reports for AGI 2014 Eligibility

A IRS Mismatch Report

County Office users shall review the “IRS Mismatch Report” available under the Subsidiary Reports tab to determine if IRS has sent data back to the Subsidiary System and the producer’s name and/or tax ID did not match the information received from IRS.

See 3-PL (Rev. 2), paragraph 306 for additional information on identifying customers in the Subsidiary System that do **not** match data provided by IRS.

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3 Reviewing Subsidiary Reports for AGI 2014 Eligibility (Continued)

B County Eligibility Reports

County Office users shall review the “County Eligibility Reports” available under the Subsidiary Reports tab to determine if a producer has filed CCC-941 and has not received an IRS determination or State Office and/or SED determination for all years applicable to the AGI 2014 Farm Bill.

See 3-PL Revision 2 Paragraph 305 for additional information on running County Eligibility Reports.

The following is an example of the options to select from the County Eligibility Report to determine if a producer has filed CCC-941 and an IRS determination or State Office and/or SED determination has not been received:

- under \$900,000 Total Income Producer Certification, CLICK “Filed CCC-941”
- under IRS Verification/Determination, CLICK “Not Processed”
- under State Office/SED Determination, CLICK “No Determination”
- submit the report.

Adjusted Gross Income - 2014 Farm Bill

\$900,000 Total Income Producer Certification

<input type="checkbox"/> Not Filed	<input checked="" type="checkbox"/> Filed CCC-941
<input type="checkbox"/> Exempt	<input type="checkbox"/> Not Met-Producer

Date Documentation Filed by Producer 

IRS Verification/Determination

<input checked="" type="checkbox"/> Not Processed	<input type="checkbox"/> Compliant-Producer
<input type="checkbox"/> Compliant - Less Than 3 Years	<input type="checkbox"/> Not Compliant
<input type="checkbox"/> Failed Verification	

Date Processed by IRS 

State Office/SED Determination

<input checked="" type="checkbox"/> No Determination	<input type="checkbox"/> Compliant-Review
<input type="checkbox"/> Mismatch Verified	<input type="checkbox"/> Not Compliant-Review

SED Determination Date 

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4 Action

A County Office Action

County Offices shall:

- ensure that the Adjusted Gross Income - 2014 Farm Bill IRS determination or State Office and/or SED determination is updated timely according to paragraph 2 for producers who have filed CCC-941
- access Subsidiary Reports according to paragraph 3 to research producers who have not received an IRS determination or State Office and/or SED determination when a producer has filed CCC-941.