

For: State and County Offices

Selecting the Correct Payment Year for CRP Sign-up Incentive Payments (SIP's)
and Practice Incentive Payments (PIP's)

Approved by: Deputy Administrator, Farm Programs



1 Overview

A Background

Guidance in 2-CRP:

- specifies annual rental payments, SIP's, and PIP's shall be attributed based on the year the payment is earned
- stipulates when each type of payment is considered earned
- includes examples to illustrate when the various payments are issued and how they should be attributed for payment limitation purposes.

Notice CRP-747 reminded State and County Offices of the policy for determining the year the payment is earned.

Approximately 1,000 SIP's have been processed by County Offices since these directives were issued where payments have been attributed to 2014 instead of 2013 or a prior year. Guidance has been provided, as situations are identified, to correct these improper payments.

B Purpose

This notice advises State and County Offices of the correct process for selecting the payment year in Conservation Payments system when issuing SIP's or PIP's.

Note: The payment year is the year the SIP or PIP is earned, not the year the payment is being issued.

Disposal Date	Distribution
December 1, 2014	State Offices; State Offices relay to County Offices

Notice CRP-769

2 Issuing 2013 and Future Year PIP's and SIP's

A CRP-SIP

CRP-SIP is earned when CRP-1 is approved and not the date the contract is effective. The payment year selected in Conservation Payments to issue a SIP shall always be the fiscal year CRP-1 was approved.

Example: The CRP-1 was approved between October 1, 2012 and September 30, 2013. The payment year for SIP is 2013.

B CRP-PIP

CRP-PIP is earned in the future year when the participant signs AD-245, page 2, **and** reports completion of the CRP practice or technical agency and/or producer certifies performance on AD-862 and/or FSA-848B. The payment year selected in Conservation Payments to issue a PIP will always be the fiscal year the producer or TSP certifies completion of the CRP practice.

Examples: The CRP practice performance is completed between October 1, 2012 and September 30, 2013. The payment year for PIP is 2013.

The CRP practice performance is completed between October 1, 2013 and September 30, 2014. The payment year for PIP is 2014.

3 Action

A State Office Action

State Offices shall ensure that County Offices follow instructions in this notice.

B County Office Action

County Offices shall follow instructions in this notice and procedure in 2-CRP, subparagraph 461 C to determine the correct payment year for SIP's and PIP's.