

For: State and County Offices

**Notification to Program Participants to Complete and Submit
CCC-927 or CCC-928 for 2009 and/or 2010 Payment Eligibility**

Approved by: Acting Deputy Administrator, Farm Programs



1 Overview

A Background

The average AGI verification process for 2009 and 2010 payment eligibility **requires** all program participants to provide written consent to IRS for the disclosure of certain information to FSA. All program participants who have **not** submitted CCC-927 or CCC-928 to IRS for 2009 and 2010 average AGI verification purposes have been identified.

A notification letter, as found in Exhibit 1, will be prepared and mailed **by the National Office** to participants who have not filed CCC-927 or CCC-928. **The scheduled mailing date is October 6, 2010.**

For informational purposes **only**, each State and County Office will have access to the listing of participants that are to receive this notification. This information will assist State and County Office personnel in responding to questions from the recipients of this notification.

B Purpose

This notice provides:

- an example of the notification letter (Exhibit 1)
- the mailing date of the notification letters
- how the recipients were identified
- information on accessing the list of recipients
- actions required from the letter recipients
- suggested responses to questions from the recipients.

Disposal Date	Distribution
January 1, 2011	State Offices; State Offices relay to County Offices; and to NRCS Offices

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2 Reconciliation Reports

A Selection Process

A comparison of the average AGI certifications of FSA and NRCS program participants with IRS information resulted in reports that identified the following:

- 2009 program participants that have **not** submitted CCC-927 or CCC-928 to IRS with a 2009 eligibility record that contains an AGI value of “Compliant-Producer” or “Compliant-Agent” for 1 of the following:
 - Commodity Program Certification/COC Determination
 - Direct Payment Certification/COC Determination
 - Conservation Program Certification/COC Determination
- 2010 program participants that have **not** submitted CCC-927 or CCC-928 to IRS with a 2010 eligibility record that contains an AGI value of “Compliant-Producer” or “Compliant-Agency” for 1 of the following:
 - Commodity Program Certification/COC Determination
 - Direct Payment Certification/COC Determination
 - Conservation Program Certification/COC Determination.

B Availability, Contents, and Using Reconciliation Reports

The Reconciliation Reports are:

- available online at <http://intranet.fsa.usda.gov/dafp>
- for FSA and NRCS **informational** purposes **only**.

The Reconciliation Report information:

- is separated by year and State
- includes American Samoa, Guam, Northern Marianna Islands, Puerto Rico, and the Virgin Islands.

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3 Notifications, Questions and Actions

A Participants Identified

Persons and legal entities identified on the Reconciliation Reports will receive written notice (Exhibit 1) that contains the following:

- the requirement to timely complete and submit the appropriate CCC-927 or CCC-928 to ensure that program payments will **not** be interrupted
- where and how to obtain CCC-927 and CCC-928
- where to mail the completed CCC-927 and CCC-928
- that completed CCC-927's and CCC-928's **must** be mailed to IRS within 30 calendar days from the date specified on the letter.

Note: The letters will be dated **October 6, 2010**.

B Questions From Letter Recipients

Suggested information when responding to questions includes, but is **not** limited to, the following:

- notification letters reflect data transfers from IRS as of **September 10, 2010**
- all individuals and legal entities, including members of legal entities, that certified to average AGI compliance for 2009 and/or 2010 payment eligibility **must** submit a completed CCC-927 or CCC-928 to IRS regardless of whether they directly received program benefits from CCC, FSA, or NRCS
- CCC-927 and CCC-928 **must** be submitted with the same name and TIN as used when taxes were filed with IRS for the years 2005 through 2008
- the name and address of the individual or legal entity on CCC-927 or CCC-928 **must** correspond with TIN of the individual or legal entity.

C Actions

State and County Offices shall:

- follow the contents of this notice
- make sufficient copies of CCC-927 and CCC-928 available to all program participants
- emphasize to **all** FSA and NRCS program participants the requirement to timely submit a completed CCC-927 or CCC-928 to IRS to maintain 2009 and 2010 payment eligibility.

Example Notification Letter

The following is an example of the letter that persons and legal entities identified on the Reconciliation Reports will receive.

 <p>United States Department of Agriculture</p> <p>Farm and Foreign Agricultural Service</p> <p>Farm Service Agency</p> <p>1400 Independence Ave, SW Washington, DC 20250</p>	<p>(Date)</p> <p>Producer Name</p> <p>Address 1</p> <p>Address 2</p> <p>Dear Producer:</p> <p>The Food, Conservation, and Energy Act of 2008, commonly referred to as the 2008 Farm Bill, provides average adjusted gross income (AGI) limitations for participants who enroll in certain farm programs. The average AGI limitations are:</p> <ul style="list-style-type: none"> • \$500,000 nonfarm average AGI in order to receive commodity, price support or disaster program benefits; • \$750,000 farm average AGI in order to receive direct payments under the Direct and Counter-Cyclical Program (DCP), or Average Crop Revenue Election Program (ACRE); and • \$1 million nonfarm average AGI to receive conservation program benefits. <p>In December 2009, the Farm Service Agency (FSA) and Internal Revenue Service (IRS) formed a partnership to ensure that only those participants who comply with AGI requirements receive farm program benefits. This data-sharing process maintains the confidentiality and privacy of tax return information while providing FSA information necessary to verify and validate the average AGI certification you previously filed.</p> <p>In order to verify that you are eligible for farm program benefits, you must complete the applicable consent form to allow the IRS to average your AGI for the three applicable tax years and to provide FSA information whether or not your average AGI appears to exceed one or more of the applicable limitation amounts. Individuals complete the CCC-927 "Consent to Disclosure of Tax Information-Individual" form, and for legal entities a CCC-928 "Consent to Disclosure of Tax Information – Legal Entity" form must be completed. The completed consent forms were to be mailed directly to IRS.</p> <p>FSA records indicate that you have not provided either the CCC-927 "Consent to Disclosure of Tax Information-Individual" form, or for a legal entity, the CCC-928 "Consent to Disclosure of Tax Information – Legal Entity", as applicable to the IRS.</p> <p>To avoid any delay or interruption in the receipt of program payments and benefits, please complete the applicable consent form and mail no later than 30 days from the date of this letter, to the following address:</p> <p>Internal Revenue Service – USDA P.O. Box 24033 Fresno, CA 93779</p> <p>The consent forms are available on-line at http://www.fsa.usda.gov/ccc927 for the individual form, and at http://www.fsa.usda.gov/ccc928 for the legal entity form, or at any FSA Service Center or Natural Resource Conservation Service (NRCS) Office.</p> <p><i>DO NOT RETURN COMPLETED CONSENT FORMS TO YOUR LOCAL FSA or NRCS OFFICE.</i></p> <p>Thank you for your cooperation.</p>
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