

**UNITED STATES DEPARTMENT OF AGRICULTURE**

Farm Service Agency  
Washington, DC 20250

**Notice PL-265**

**For:** State and County Offices

**Web-Based Subsidiary Eligibility Modifications**

**Approved by:** Deputy Administrator, Farm Programs



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**1 Overview**

**A Background**

The Agricultural Act of 2014 (2014 Farm Bill) provided changes to the provisions for payment eligibility. Under the 2014 Farm Bill, the:

- “Adjusted Gross Income – 2008 Farm Bill” section is no longer required for 2014 and future years for the following:
  - “Commodity Program \$500,000 Nonfarm Income Certification/COC Determination”
  - “Direct Payment \$750,000 Farm Income Certification/COC Determination”

**Note:** Producers participating in conservation programs may continue to be required to file an AGI certification for the “Conservation Program \$1 Million Nonfarm Income Certification/COC Determination”.

- “Socially Disadvantaged Farmer or Rancher – Includes Racial and Ethnic but NOT Gender” section is no longer required.

One objective of the web-based Subsidiary Eligibility System is to provide users with the ability to record certifications and/or determinations.

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Disposal Date	Distribution
March 1, 2015 9-26-14	State Offices; State Offices relay to County Offices

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**Page 1**

## 1 Overview (Continued)

### B Purpose

This notice:

- advises State and County Offices that the web-based Subsidiary Eligibility System modifications will be available on September 29, 2014
- provides guidance on the following Subsidiary Eligibility System modifications:
  - Eligibility Page will be displayed with certifications in alphabetical order
  - “Actively Engaged” section
  - “Adjusted Gross Income – 2008 Farm Bill” section
  - “Adjusted Gross Income – 2014 Farm Bill” section
  - “Beginning Farmer or Rancher” section
  - “Socially Disadvantaged Farmer or Rancher” section.

The procedure in this notice will be included in a forthcoming 3-PL (Rev. 1) amendment.

## 2 Web-Based Subsidiary Eligibility System Modifications

### A Introduction

The web-based Subsidiary Eligibility System modifications will be released on September 29, 2014, and will include changes as follows:

- Eligibility Page will be displayed with certifications in alphabetical order
- “Actively Engaged” section
- “Adjusted Gross Income – 2008 Farm Bill” section
- “Adjusted Gross Income – 2014 Farm Bill” section
- “Beginning Farmer or Rancher” section
- “Socially Disadvantaged Farmer or Rancher” section.

**Note:** The procedure in this notice will be included in a forthcoming 3-PL (Rev. 1) amendment.

### B Eligibility Page

The web-based subsidiary Eligibility Page will display the certifications in alphabetical order. This enhancement should make the page easier to flow through all the certifications required for eligibility.

## 2 Web-Based Subsidiary Eligibility System Modifications (Continued)

### C “Actively Engaged” Section

The ability to copy the actively engaged “Date Documentation Filed by Producers” to the AGI “Date Documentation Filed By Producer” has been removed for 2014 and future years.

Because the “Adjusted Gross Income - 2014 Farm Bill” section is automatically updated by the IRS, the ability to copy the “Date Documentation Filed by Producer” is no longer necessary.

This is an example of the “Actively Engaged” section for 2014 and future years.

**Actively Engaged**

COC Determination

☐ Actively Engaged


☐ Awaiting Determination

☐ Not Actively Engaged


☒ Not Filed

☐ Awaiting Revision

☐ Exempt

Date Documentation Filed by Producer  

☐ Update "AD-1026 Date Continuous Certification/Authorization Signed by Producer" with above date

COC Determination Date  

2 Web-Based Subsidiary Eligibility Modifications (Continued)

D “Adjusted Gross Income – 2008 Farm Bill” Section

The “Adjusted Gross Income” section has been renamed to “Adjusted Gross Income – 2008 Farm Bill” in all years. Because there is AGI for 2002, 2008, and 2014 Farm Bills available in the Subsidiary Eligibility System, this modification will help differentiate between the applicable farm bills for AGI.

This is an example of the “Adjusted Gross Income – 2008 Farm Bill” section for the 2012 and 2013 years.

Adjusted Gross Income - 2008 Farm Bill	
Commodity Program \$500,000 Nonfarm Income Certification/COC Determination	
<input type="radio"/> Compliant - Producer	<input type="radio"/> Compliant - Agent
<input type="radio"/> Exempt	<input checked="" type="radio"/> Not Filed
<input type="radio"/> Not Met - COC	<input type="radio"/> Not Met - Producer
SED Determination	
<input type="checkbox"/> Not Met-SED	Date of SED Determination <input type="text"/>
Direct Payment \$750,000 Farm Income Certification/COC Determination	
<input type="radio"/> Compliant - Producer	<input type="radio"/> Compliant - Agent
<input type="radio"/> Exempt	<input checked="" type="radio"/> Not Filed
<input type="radio"/> Not Met - COC	<input type="radio"/> Not Met - Producer
SED Determination	
<input type="checkbox"/> Not Met-SED	Date of SED Determination <input type="text"/>
Direct Payment \$1 Million Total Income Certification/COC Determination	
<input type="radio"/> Compliant - Producer	<input type="radio"/> Compliant - Agent
<input type="radio"/> Exempt	<input checked="" type="radio"/> Not Filed
<input type="radio"/> Not Met - COC	<input type="radio"/> Not Met - Producer
SED Determination	
<input type="checkbox"/> Not Met-SED	Date of SED Determination <input type="text"/>
Conservation Program \$1 Million Nonfarm Income Certification/COC Determination	
<input type="radio"/> Compliant - Producer	<input type="radio"/> Compliant - Agent
<input type="radio"/> Exempt	<input checked="" type="radio"/> Not Filed
<input type="radio"/> Not Met - COC	<input type="radio"/> Not Met - Producer
SED Determination	
<input type="checkbox"/> Not Met-SED	Date of SED Determination <input type="text"/>
Effective Program Year <input type="text"/>	
Date Documentation Filed by Producer <input type="text"/>	
COC Disapproval Date <input type="text"/>	

## 2 Web-Based Subsidiary Eligibility System Modifications (Continued)

### D “Adjusted Gross Income – 2008 Farm Bill” Section (Continued)

In 2014 and future years, the “Adjusted Gross Income – 2008 Farm Bill” section will only display the “Conservation Program \$1 Million NonFarm Income Certification/COC Determination”. Producers participating in conservation programs under 4-PL may continue to be required to file an AGI certification for the “Conservation Program \$1 Million Nonfarm Income Certification/COC Determination”.

The following have been removed from the “Adjusted Gross Income – 2008 Farm Bill” section for 2014 and future years:

- “Commodity Program \$500,000 NonFarm Income Certification/COC Determination”
- “Direct Payment \$750,000 Farm Income Certification/COC Determination”.

**Note:** These certifications are no longer required for 2014 and future years.

This is an example of the “Adjusted Gross Income – 2008 Farm Bill” section for 2014 and future years.



Adjusted Gross Income - 2008 Farm Bill	
Conservation Program \$1 Million Nonfarm Income Certification/COC Determination	
<input type="radio"/> Compliant - Producer	<input type="radio"/> Compliant - Agent
<input type="radio"/> Exempt	<input checked="" type="radio"/> Not Filed
<input type="radio"/> Not Met - COC	<input type="radio"/> Not Met - Producer
SED Determination	
<input type="checkbox"/> Not Met-SED	Date of SED Determination <input type="text"/>
Date Documentation Filed by Producer <input type="text"/>	
COC Disapproval Date <input type="text"/>	

## 2 Web-Based Subsidiary Eligibility System Modifications (Continued)

### E “Adjusted Gross Income – 2014 Farm Bill” Section

A new “Date Processed by IRS” date will display when the “Adjusted Gross Income – 2014 Farm Bill” section certification is automatically updated from IRS. The date the IRS was contacted and processed will be displayed in the “Adjusted Gross Income – 2014 Farm Bill” section and the certification date **cannot** be updated by State and County Office users.

This is an example of the “Adjusted Gross Income – 2014 Farm Bill” section.

Adjusted Gross Income - 2014 Farm Bill	
\$900,000 Total Income Certification/COC Determination	
<input type="radio"/> Compliant - Producer <input type="radio"/> Exempt <input type="radio"/> Not Compliant <input type="radio"/> Failed Verification	<input type="radio"/> Compliant <input checked="" type="radio"/> Not Filed <input type="radio"/> Not Met - Producer
SED Determination	
<input checked="" type="radio"/> No Determination <input type="radio"/> Not Met-SED	<input type="radio"/> Compliant-SED
Date Processed by IRS	<input type="text"/>
Date Documentation Filed by Producer	<input type="text"/> 
Date of SED Determination	<input type="text"/> 

### F “Beginning Farmer or Rancher” Section

A month and year are required in 2014 and future years when selecting “Yes” to the “Beginning Farmer or Rancher” section certification. The month and year are **required** to identify when the farmer or rancher began farming. A valid month and year are **required** within the last 10 years to allow the certification of “Yes”. The month and year are **not** allowed when the certification is “No”.

This is an example of the “Beginning Farmer or Rancher” section for 2014 and future years.

Beginning Farmer or Rancher	
Certification	
<input type="radio"/> Yes	<input checked="" type="radio"/> No
Month and Year Farmer Or Rancher began Farming <input type="text"/> (mm/yyyy)	

## 2 Web-Based Subsidiary Eligibility System Modifications (Continued)

### F “Beginning Farmer or Rancher” Section (Continued)

The following provides error messages that may display and corrective action when updating the “Beginning Farmer or Rancher” certification in 2014 and future years.

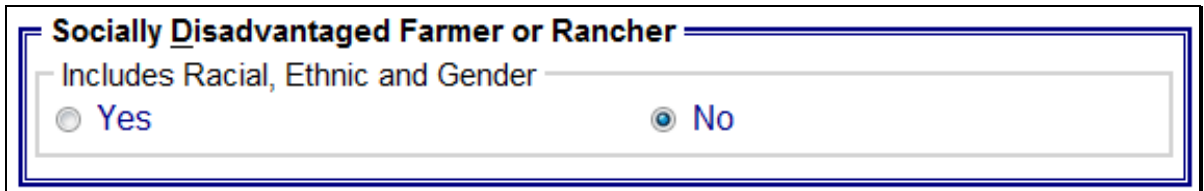
Message	Reason for Message	Corrective Action
Month/Year are required for Beginning Farmer or Rancher when “Yes” is selected	User selected “Yes” to beginning farmer or rancher certification,” but did <b>not</b> enter a month and year in the “Month/Year Farmer or Rancher Began Farming” block.	Take either of the following actions: <ul style="list-style-type: none"> <li>enter the month and year the producer began farming or ranching</li> <li>select “No” for the beginning farmer or rancher certification.</li> </ul>
Month for Beginning Farmer or Rancher must be a valid month	User did not enter a valid number 01 through 12 for the Month.	Take either of the following actions: <ul style="list-style-type: none"> <li>enter a valid month between 01 and 12.</li> <li>select “No” for the beginning farmer or rancher certification and remove the month.</li> </ul>
Year for Beginning Farmer or Rancher must be within the last 10 years.	User did not enter a year within 10 years of the subsidiary year.	Take either of the following actions: <ul style="list-style-type: none"> <li>enter a valid year within 10 years of the subsidiary year</li> <li>select “No” for the beginning farmer or rancher certification.</li> </ul>
Year for Beginning Farmer or Rancher must be a valid year	User did not enter a valid year.	Take either of the following actions: <ul style="list-style-type: none"> <li>enter a valid year between 2004 and current year that is a numeric value</li> <li>select “No” for the beginning farmer or rancher certification and remove the year.</li> </ul>
Month/Year is not allowed for Beginning Farmer or Rancher when “No” is selected	User entered a month and year for the “Month/Year Farmer or Rancher began Farming”, but selected “No” for the beginning farmer or rancher certification.	Take either of the following actions: <ul style="list-style-type: none"> <li>select “Yes” for the beginning farmer or rancher certification</li> <li>remove the month and year in the “Month/Year Farmer or Rancher Began Farming” block.</li> </ul>

## 2 Web-Based Subsidiary Eligibility System Modifications (Continued)

### G “Socially Disadvantaged Farmer or Rancher” Section

The certification for “Includes Racial and Ethnic but NOT Gender” has been removed from the “Socially Disadvantaged Farmer or Rancher” section for 2014 and future years. This certification is no longer required for 2014 and future years under the 2014 Farm Bill.

This is an example of the “Socially Disadvantage Farmer or Rancher” section for 2014 and future years.



**Socially Disadvantaged Farmer or Rancher**

Includes Racial, Ethnic and Gender

☐ Yes ☒ No

## 3 Web-Based Subsidiary Print Modifications

### A Web-Based “Subsidiary Print Eligibility” Section

The “Subsidiary Print Eligibility” section will:

- display the eligibility certifications and determinations in alphabetical order
- display the appropriate eligibility certifications and determinations for each year
- include the AGI 2014 Farm Bill enhancements previously released
- include the enhancements to the Subsidiary Eligibility System listed in paragraph 2.

## 4 Action

### A State Office Action

State Offices shall ensure that County Offices follow the contents of this notice.

### B County Office Action

County Offices shall review and follow the contents of this notice.