

UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency
Washington, DC 20250

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| Payment Limitations 1-PL (Revision 1) | Amendment 52 |
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Approved by: Acting Deputy Administrator, Farm Programs



Amendment Transmittal

A Reasons for Amendment

Paragraphs 800, 801, and 803 have been amended to apply to FY 2008 through 2010.

Exhibit 15 has been amended to apply to FY 2008 through 2010.

| Page Control Chart | | |
|---------------------------|-----------------|----------------|
| TC | Text | Exhibit |
| 12.5, 12.6 (remove) | 8-1 through 8-4 | 1, pages 1, 2 |
| 13 | 8-7, 8-8 | 15, page 1 |
| 14 (add) | | |

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--Part 8 Producers Identified as Deceased – FY 2008 Through 2010--**800 Payments to Individuals Identified as Deceased Report (RPT-I-00-CM-08-1)****A Accessing the Payments to Individuals Identified as Deceased Report**

To access the Payments to Individuals Identified as Deceased Report who were direct and *--indirect payment recipients in FY 2008 through 2010, go to <http://fsaintranet.sc.egov.usda.gov/DAFP/Default.htm>, under “Payments to Individuals Identified as Deceased”, CLICK “State files” for the list for the appropriate State.

Note: For FY 2011 and subsequent years, see 1-CM, Part 34.--*

B Information Arrangement in the Payments to Individuals Identified as Deceased Report

The information in the Payments to Individuals Identified as Deceased Report is arranged by the following:

- State and county code of the administrative location for the individual identified as deceased
- name as recorded in SCIMS for the individual identified as deceased
- last 4 digits of the individual’s SSN as recorded in SCIMS
- name of the deceased individual as recorded in DMF
- date of death of the deceased individual as recorded in DMF
- last 4 digits of the deceased individual’s SSN as recorded in DMF
- name of the entity associated with the deceased individual, if applicable
- *--program under which an FY 2008 through 2010 payment was issued--*
- date of payment issuance
- program year associated with the payment
- payment amount.

See Exhibit 15 for an example of the Payments to Individuals Identified as Deceased Report.

800 Payments to Individuals Identified as Deceased Report (RPT-I-00-CM-08-1) (Continued)

C Individuals Identified in the Payments to Individuals Identified as Deceased Report

The individuals identified as deceased in the Payments to Individuals Identified as Deceased Report:

- *--received, either directly or indirectly, a program payment in FY 2008 through 2010--* after the recorded date of death

- may or may not be eligible for the payment received or attributed.

Note: No program payments or benefits are to be issued, either directly or indirectly to any entry listed on this report until the required reviews are completed and it is determined that all eligibility requirements have been met. No exceptions are authorized.

***--801 Instructions for Required Reviewing and Correcting Records**

A Instructions for the Required Review

The following provides instructions for the required review of payment recipients and program payments associated with an individual identified as deceased.

| IF review of the individual identified in the Payments to Individuals Identified as Deceased Report reveals that the producer is... | AND the... | THEN... |
|---|--|--|
| <p>deceased, but:</p> <ul style="list-style-type: none"> • all payment and program eligibility requirements were met • program payment was earned | <p>correct SSN was entered in SCIMS</p> | <p>document that producer was eligible per applicable procedure, include handbook references, and payment was proper.</p> |
| <p>not deceased, and</p> <ul style="list-style-type: none"> • all payment and program eligibility requirements were met • program payment was earned | <p>incorrect SSN was entered in SCIMS</p> | <ul style="list-style-type: none"> • obtain verification of the correct SSN • correct all records according to 1-CM • revise or correct all program contracts and applications per applicable program procedure • revise or correct all financial reporting information according to 1-FI. |
| | <p>producer verifies that SSN entered in SCIMS was correct</p> | <ul style="list-style-type: none"> • obtain verification of SSN as entered in SCIMS • document the payment as proper • advise the producer to contact the Social Security Administration about the possible record error. |
| <p>deceased and:</p> <ul style="list-style-type: none"> • payment and program eligibility requirements were not met • the program payment was not earned | <p>correct SSN was entered in SCIMS</p> | <ul style="list-style-type: none"> • document that payment was improper • initiate collection of the overpayment • provide written notice of adverse determination with appeal rights • COC must determine whether scheme or device was present. |

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801 Instructions for Required Reviewing and Correcting Records (Continued)

B Instructions for Correcting Records

Correct records according to the following.

| IF receivables were... | THEN... |
|--|---|
| <p>not established for current and/or prior years</p> | <p>County Offices must complete the following.</p> <ul style="list-style-type: none"> • Report as no overpayment. • Obtain verification of the correct taxpayer ID number. • Correct the taxpayer ID number in SCIMS and on producer *--records. All FY 2008 through 2010 payments shall be--* issued to the correct taxpayer ID number. • Send a memorandum to FMD, FCS according to 62-FI, subparagraph 76 B, requesting the taxpayer ID number be corrected for payments issued under an incorrect number. Include the correct and the corrected taxpayer ID numbers. This will result in a corrected CCC-1099-G. However, financial inquiries will continue to display the incorrect taxpayer ID number. <p>Note: If a contract is accessed and the taxpayer ID number corrected on the program contract, then an overpayment or underpayment will be created.</p> |

*--802 Codes and Identifiers (Continued)

B Reason Codes to Identify Correct Payments

The following is a list of codes to be used to describe the reasons for payments issued correctly to an individual identified as deceased.

| Code | Condition or Situation |
|------|--|
| 30 | <p>Eligible; payment earned by individual before death.</p> <p>Example: Counter-cyclical payment received by the individual identified as deceased in the year following the individual's date of death.</p> |
| 32 | <p>Eligible; SSN used to identify estate or trust.</p> <p>Example: Wife is co-grantor of a revocable trust carried under the husband's SSN. The trust is the landowner and the husband is identified as deceased. Surviving spouse has authority to sign for the trust.</p> |
| 34 | <p>Eligible; TIN corrected/verified.</p> <p>Example: Because of an error by FSA, the producer, or SSA, the individual program participant was identified by SSA as deceased. Participant was not deceased and verification of participant's TIN was obtained.</p> |
| 36 | <p>Eligible; death of an individual not timely reported, but updated information supports the determinations of record.</p> <p>Example: FSA was not timely informed of the individual's death. Updated information provided on behalf of the entity or joint operation did not change any payment eligibility and payment limitation determinations of record for the entity or joint operation.</p> |
| 38 | <p>Eligible for other reasons; detailed explanation required.</p> <p>Example: Relief granted or determined eligible and corrections made on the review of previous reports.</p> <p>Include the explanation on the same line or reference the explanation as an attachment to the spreadsheet.</p> |

--*

803 Review Results and Follow-up Actions**A Required Determinations**

--For all FY 2008 through 2010 payment recipients identified in the Payments to--
Individuals Identified as Deceased Report, determinations are required for:

- payment eligibility according to Parts 2 and 6.5
- program eligibility for each program under which payments were received according to paragraphs 4 and 16
- verification and, if necessary, correction of the TIN recorded in SCIMS name and address according to 1-CM and other systems, such as the joint operations and entity files
- verification of direct deposit authorization according to 1-FI.

B Documentation

The review results and actions taken shall be:

- documented on the Payments to Individuals Identified as Deceased Report
- recorded in the COC minutes.

C DD Responsibilities

DD's will:

- provide technical assistance
- assist in completing Payments to Individuals Identified as Deceased Report reviews
- ensure that the appropriate actions are timely completed
- provide completed Payments to Individuals Identified as Deceased Report to the State Office.

D State Office Responsibilities

The State Office specialist assigned responsibility will:

- established a deadline for completing reviews
 - assist with reviews and determinations questioned by DD
- * * *
- retain completed Payments to Individuals Identified as Deceased Report.

Reports, Forms, Abbreviations, and Redelegations of Authority

Reports

Following is the report required in this handbook.

| Report Control Number | Title | Reporting Period | Submission Date | Negative Report | Reference |
|-------------------------|--|------------------|-----------------|-----------------|-------------|
| PA-122R (CCC-502EYR) | End-of-Year Payment Limitation Review | As required | As required | Required | 706, 707 |
| RPT-I-00-CM-08-1 | Payments to Individuals Identified as Deceased Report – FY 2008 Through 2010 | As required | As required | No | 800, Ex. 15 |

Forms

This table lists all forms referenced in this handbook.

| Number | Title | Display Reference | Reference |
|----------------------|---|-------------------|-----------|
| CCC-501A | Member’s Information | 201 | Text |
| CCC-501B | Designation of “Permitted Entities” | 218 | Text |
| CCC-502 Continuation | Continuation Sheet for Leased or Owned Land (Use With CCC-502A, CCC-502B, CCC-502C, CCC-502D, CCC-502EZ) | 55 | Text |
| CCC-502A | Farm Operating Plan for Payment Eligibility Review for an Individual | 277 | Text |
| CCC-502B | Farm Operating Plan for Payment Eligibility Review for a Joint Venture or General Partnership | 297 | Text |
| CCC-502C | Farm Operating Plan for Payment Eligibility Review for Corporations, Limited Partnerships or Other Similar Entities | 316 | Text |
| CCC-502D | Farm Operating Plan for Payment Eligibility Review for an Estate or Trust | 335 | Text |
| CCC-502EYR | End-of-Year Report of Payment Limitation Review (Report No. PA-122R) | 706 | 531, 707 |
| CCC-502EZ | Farm Operating Plan for Payment Eligibility Review for an Individual | 278 | Text |
| CCC-502U | Update for CCC-502, Farm Operating Plan for Payment Eligibility Review | 55 | 50, 436 |
| CCC-503A | County Committee Worksheet for “Actively Engaged in Farming” and “Person” Determinations | 394 | 237 |

Reports, Forms, Abbreviations, and Redelegations of Authority (Continued)

Forms (Continued)

| Number | Title | Display Reference | Reference |
|----------------------------------|--|-------------------|---------------------------|
| CCC-504 (Optional) <u>1</u> / | Worksheet to Blend Shares and Determine Percent of Cropland Factor | 134, 158 | |
| CCC-526 | Payment Eligibility Average Adjusted Gross Income Certification | 630 | 35, 50, 52, 256, 650, 662 |
| CCC-526C | Payment Eligibility - Average Adjusted Gross Income Certification For Certain Conservation Reserve Program Contracts Approved Before October 1, 2008 | 631 | 630 |
| CCC-1099-G | Report of Payments to Producers | | 801 |
| CCC-1155 | Application for Payment (National Wool Act) | | 215 |
| CRP-1 | Conservation Reserve Program Contract | | 17, 631 |
| FSA-211 | Power of Attorney | | 215 |
| FSA-229 | Application for Trade Adjustment Assistance (TAA) for Individual Producers | Ex. 6 | 630 |
| I-151 1/ | Alien Registration Receipt Card | | 236 |
| I-551 | Permanent Resident Card/Resident Alien Card | 235 | 236 |
| IRS-990 | Return of Organizations Exempt From Income Tax | Ex. 10 | 199 |
| IRS-990-T | Exempt Organization Business Income Tax Return | Ex. 10 | 199 |
| IRS-1040 | U.S. Individual Income Tax Return | Ex. 10 | |
| IRS-1040 Schedule F | Profit or Loss From Farming | Ex. 10 | |
| IRS-1041 | U.S. Income Tax Return of Estates and Trusts | Ex. 10 | |
| IRS-1065 | U.S. Return of Partnership Income | Ex. 10 | |
| IRS-1120 | U.S. Corporation Income Tax Return | Ex. 10 | |

1/ This form is obsolete.

--Review of Payments to Individuals Identified as Deceased Report (RPT-I-00-CM-08-1) – FY 2008 Through 2010--

State and County Offices shall report findings and actions taken in the following format.

| (RPT-I-00-CM-08-1) Payments to Individuals Identified as Deceased | | | | | | | | | | | | | | | | | | |
|---|--------|-----|---------|--------|---------|-----------------------|---------------------|--------|---------|--------------------|--------------|-------------------------------------|--------------|--------------|----------------|-----------------------------------|--------------------|-------------|
| Payment | | | | Last 4 | ID Type | Producer Name (SCIMS) | Date Of Death (DMF) | Last 4 | ID Type | Payee Name (N & A) | Program Code | Program Name | Payment Date | Program Year | Payment Amount | Explanation and Actions Completed | Overpayment Amount | Reason Code |
| State | County | | | | | | | | | | | | | | | | | |
| 00 | zz | 001 | Xxxxxxx | 1111 | S | xxx xxxxxxxx | 03-04-2006 | 1212 | S | xxxxxxxxxxxxx | 6740 | DIRECT PAYMENTS | 2008-02-02 | 2006 | \$188.00 | | | 30 |
| 00 | zz | 003 | Xxxxxxx | 2222 | S | xxxxx xxxxxxxx | 07-24-2006 | 2121 | S | xxxxxxxxxxxxx | 3101 | CONSERVATION RESERVE PROGRAM - ANNU | 2007-10-11 | 1999 | \$216.00 | | 216.00 | 26 |
| 00 | zz | 003 | Xxxxxxx | 3333 | S | xxxx xxxxxxxxxx | 09-22-2006 | 1313 | S | xxxxxx xxxxxx | 6740 | DIRECT PAYMENTS | 2008-10-11 | 2006 | \$325.00 | | 325.00 | 24 |
| 00 | zz | 003 | Xxxxxxx | 4444 | S | xxxxxx xxxxxx | 09-22-2006 | 3131 | S | xxxxxx xxxxxx | 3101 | CONSERVATION RESERVE PROGRAM - ANNU | 2007-10-11 | 1999 | \$412.00 | | 412.00 | 26 |
| 00 | zz | 003 | Xxxxxxx | 5555 | S | xx x xxxxxxxxxx | 12-31-2004 | 2323 | S | xx x xxxxxx | 6012 | PIGFORD SETTLEMENT - CCC | 2007-10-05 | | \$3000.00 | | | 30 |

Explanations and actions completed include, but are **not** limited to:

- handbook procedure that was reviewed
- legal documents authenticating producer’s TIN
- other records that may have been reviewed
- date receivable established.

Notes: “Program Year” column will be **blank** for Crop Disaster Program, dishonored check, ECP, interest penalty, Livestock Compensation Program, LIP, Local Deposit Bank, National Payment Service refund, refund repayment, and settlements under *Pigford*.

“Overpayment Amount” column is the monetary amount producer is overpaid, if applicable.

“Reason Code” column is the numerical code that best describes the condition or situation.

