

UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency
Washington, DC 20250

Payment Eligibility, Payment Limitation, and Average Adjusted Gross Income 4-PL	Amendment 8
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Approved by: Deputy Administrator, Farm Programs



Amendment Transmittal

A Reasons for Amendment

Subparagraph 198 A has been amended to include instructions for completing CCC-926 for 2009 and subsequent years.

Subparagraph 198 B has been amended to provide an example of a completed CCC-926.

Subparagraphs 201 A and B have been amended to provide CCC-929.

Page Control Chart		
TC	Text	Exhibit
	4-65, 4-66 6-25, 6-26 6-26.5, 6-26.6 (add) 6-27, 6-28 6-37, 6-38	1, pages 1, 2

130 Completing CCC-902I's

A Instructions for Completing CCC-902I's

--Complete CCC-902I according to this table.--

Item	Instruction	
1	Enter name of the control county for the individual.	
2	Enter name of the State where this individual conducts their farming operation.	
3	Enter program/crop year for which the information for this farming operation is being provided. Go to Part A.	
Part A		
1	Enter name and address, including ZIP Code, of the individual. If the individual conducts business using an assumed name, include the assumed name. (Example: John Doe, dba John Doe Grain Farms.)	
2	Enter TIN of the individual. Go to Part B. Note: If complete TIN is on file, only the last 4 digits are required .	
Part B		
1	IF the individual in Part A is...	THEN CHECK (✓)...
	a U.S. citizen	“Yes” and go to item 4A.
	not a U.S. citizen	“No” and go to item 2.
2	an alien lawfully admitted to the U.S. and I-551 was presented	“Yes”.
	not a U.S. citizen and 1-551 was not presented	“No”.
FSA Only	FSA shall CHECK (✓) “Yes” or “No”, indicating that I-551 was presented. Note: If the individual in Part A in not a U.S. citizen and I-551 was not presented, the individual will be considered a foreign person for payment eligibility and payment limitation purposes.	
4A	IF the individual in Part A was...	THEN CHECK (✓)...
	18 years of age or older on April 1	“No” and go to item 7.
	younger than 18 year of age on April 1	“Yes” and go to item 4 B.
4B	If individual in Part A was younger than 18 years of age on April 1 of the program year, enter date of birth.	

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*--130 Completing CCC-902I's (Continued)

A Instructions for Completing CCC-902I's (Continued)

Item	Instruction
5	If individual in Part A was a minor, provide the following information about the individual's parent or legal guardian.
A	Parent's or guardian's name.
B	Parent's or guardian's address.
C	Last 4 digits of the parent's or guardian's TIN. Note: If complete TIN is on file, only the last 4 digits are required .
D	If individual in Part A is a minor, CHECK (✓) "Yes" or "No" to indicate whether the individual in Part A maintains a separate household from their parent or guardian.
6 A through D	If individual in Part A is a minor, provide the following information about the parent or guardian's interest in farming operations: A parent's or guardian's name B name of parent's or guardian's farming interest C last 4 digits of the parent's or guardian's TIN Note: If complete TIN is on file, only the last 4 digits are required . D county/State where the farming interest is located.
7	IF...
	neither the individual in Part A, the individual's spouse, or the individual's minor children have interest in a farming operation conducted under another name
	individual in Part A, the individual's spouse, or the individual's minor children have interest in a farming operation conducted under a name other than the name listed in Part A
	THEN...
	CHECK (✓) "N/A" and go to Part C.
	provide the following information.
A	Name of the farming interest.
B	Indicate if the interest is the individual, the individual's spouse or the individual's minor children.
C	Last 4 digits of the parent's or guardian's TIN Note: If complete TIN is on file, only the last 4 digits are required .
D	County/State where the farming interest is located; go to Part C.

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197 Calculating Average AGI for 2009 and Subsequent Years (Continued)

B Special Rule for Average AGI Determination

If at least 66.66 percent of a person's or legal entity's average AGI is derived from all other sources of farm income, income from the following, if applicable, shall **also** be considered as farm income:

- sale of equipment to conduct farm, ranch, and forestry operations
- provision of production inputs and services to farmers, ranchers, foresters, and farm operations.

C Applying the Special Rule for Determining the Average AGI

The following are examples of applying the rule in subparagraph B.

Example 1: Jake has requested 2009 DCP benefits. Jake's total average AGI was \$900,000. His farm AGI was \$650,000 from the production of crops and livestock. His nonfarm AGI was comprised of \$150,000 from his aerial spraying service and \$100,000 from oil and gas royalties.

Facts and figures: Over 66.66 percent of Jake's total AGI was from the production of crops (\$650,000 divided by \$900,000 times 100 equals 72.22 percent). Jake also has nonfarm AGI from his aerial spraying; a custom service to farmers and ranchers, that now **must** be considered farm AGI for payment eligibility purposes.

The result: Jake's farm AGI is now \$800,000 (the total of \$650,000 and \$150,000); nonfarm AGI is \$100,000. Jake's farm AGI exceeds \$750,000. Jake is eligible for 2009 DCP benefits, **except** for direct payments.

Example 2: Wanda has requested 2009 DCP, NAP, and EQIP benefits. Wanda's total AGI was \$3 million. Her farm AGI was \$2.25 million from the production of crops and livestock. Her nonfarm AGI was \$750,000; comprised of \$500,000 for livestock equipment sales and \$250,000 from commercial real estate rental.

Facts and figures: Over 66.66 percent of Wanda's total AGI was from the production of crops and livestock (\$2.25 million divided by \$3 million times 100 equals 75 percent). Wanda also has nonfarm AGI of \$500,000 from livestock equipment sales that now **must** be considered average farm AGI for payment eligibility purposes.

The result: Wanda's farm average AGI is now \$2.75 million (\$2.25 million and \$500,000); nonfarm AGI is \$250,000. Wanda's farm AGI still exceeds \$750,000, but her nonfarm AGI is now less than \$500,000. Wanda is eligible for all program benefits requested, **except** for 2009 DCP direct payments.

198 Average AGI Certification

A Completing CCC-926's For 2009 and Subsequent Years

Complete CCC-926's according to the following.

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Item	Instruction
1	Enter name and address of the FSA County Office or Service Center where CCC-926 will be submitted.
2	Enter the name and address of the person or legal entity that is requesting benefits under any of the commodity, conservation or price support programs.
3	Enter the last 4 digits of SSN or TIN of the person or legal entity represented in item 2.
4	Enter a check (✓) next to the year for which program benefits are being requested. (Select only 1.) Note: The year selected determines the 3-year period that will be used in the calculation of the applicable average AGI for payment eligibility.
5	Check (✓) the box next to the response that describes the average adjusted gross farm income for the applicable 3-year period for the program year selected in item 4. Adjusted gross farm income is determined separately for each of the 3 years and then averaged to determine the average adjusted gross farm income used on CCC-926. Note: Adjusted gross farm income is not the same as the gross farm income reported to IRS. Adjusted gross farm income for FSA purposes is comparable to the net income from farming and related operations. In many cases, this may be the same as the "Net Farm Profit" or "Loss" determined on Schedule F of IRS-1040. However, FSA's definition of adjusted gross farm income also includes income from the sale of items such as agricultural related land, breeding livestock, and agricultural/conservation easements. Additionally, it is important to consider if income was received from the sale of farm related equipment and/or if income was received from the sale of production inputs and services before answering this question. Usually, income from these items is not considered farm income. However, if the income from farming is at least 66.66 percent of the total adjusted gross income from all sources, both farm income and nonfarm income, a special rule applies and income from these items must be included in the adjusted gross farm income. See the definition of farm income on CCC-926, page 2 for full details of what to include in adjusted gross farm income.
6	Check (✓) the box next to the response that describes the average adjusted gross nonfarm income for the applicable 3-year period for the program year selected in item 4. Adjusted gross nonfarm income is determined separately for each of the 3 years and then averaged to determine the average adjusted gross nonfarm income used on CCC-926. Adjusted gross nonfarm income is determined by subtracting the adjusted gross farm income for a tax year from the AGI as reported to IRS for the tax year.

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198 Average AGI Certification

A Completing CCC-926's For 2009 and Subsequent Years

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Item	Instruction
7	<p>Select the appropriate response that describes whether or not the average adjusted gross farm income for the applicable 3-year period selected in item 4 was at least 66.66 percent of the average AGI, both farm and nonfarm income. This AGI is the amount of AGI reported to IRS.</p> <p>CHECK (✓) “NO” or “YES” as applicable.</p> <p>If “YES” is checked, and if income includes the sale of farm equipment or production inputs and services to farmers, ranchers, foresters and farming operations, review the definition of farm income on CCC-926, page 2.</p> <p>Example: Jake has requested 2011 DCP benefits. Jake’s average AGI was \$900,000. His farm AGI was \$650,000 from the production of crops and livestock.</p> <p>His nonfarm AGI was comprised of \$150,000 from his aerial spraying service and \$100,000 from oil and gas royalties.</p> <p>Over 66.66 percent of Jake’s total AGI was from the production of crops (\$650,000 divided by \$900,000 times 100 equals 72.22 percent). Jake also has nonfarm AGI from his aerial spraying; a custom service to farmers and ranchers, that now must be considered farm AGI for payment eligibility purposes.</p> <p>Jake’s farm AGI is now \$800,000 (the total of \$650,000 and \$150,000); nonfarm AGI is \$100,000. Jake’s farm AGI exceeds \$750,000. Jake is eligible for 2011 DCP benefits, except for direct payments.</p>
8	<p>Read the acknowledgments, responsibilities and authorizations, before affixing signature.</p> <p>For all types of entities, CCC-926 must be signed by a duly authorized representative with an acceptable Power of Attorney or evidence of authority on file with FSA.</p>
9	Enter the title or relationship if signing in a representative capacity.
10	Enter the signature date in month, day, and year format.

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198 Average AGI Certification (Continued)

B Example CCC-926

The following is an example of a completed CCC-926.

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This form is available electronically. CCC-926 (12-22-10)		U.S. DEPARTMENT OF AGRICULTURE Commodity Credit Corporation	1. County FSA Office or Service Center Address (Including Zip Code) Best County FSA Office 1234 Rough Rd. Somewhere, TX 78765-9876
AVERAGE ADJUSTED GROSS INCOME (AGI) STATEMENT			
NOTE: <i>The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a - as amended). The authority for requesting the information identified on this form is 7 CFR Part 1400, the Commodity Credit Corporation Charter Act (15 U.S.C. 714 et seq.), and the Food, Conservation, and Energy Act of 2008 (Pub. L. 110-246). The information will be used to determine eligibility for program benefits. The information collected on this form may be disclosed to other Federal, State, Local government agencies, Tribal agencies, and nongovernmental entities that have been authorized access to the information by statute or regulation and/or as described in applicable Routine Uses identified in the System of Records Notice for USDA/FSA-2, Farm Records File (Automated). Providing the requested information is voluntary. However, failure to furnish the requested information will result in a determination of ineligibility for program benefits. This information collection is exempted from the Paperwork Reduction Act, as it is required for the administration of the Food, Conservation, and Energy Act of 2008 (Pub. L. 110-246, Title I, Subtitle F - Administration). The provisions of appropriate criminal and civil fraud, privacy, and other statutes may be applicable to the information provided. RETURN THIS COMPLETED FORM TO YOUR COUNTY FSA OFFICE.</i>			
2. Name and Address of Individual or Legal Entity (Including Zip Code) Flatland Farms and Livestock LLC 9630 Circle Drive Some City, TX 78744-6543		3. Identification Number (Last 4 digits of SSN or Tax ID No.) 5654	
PROGRAM YEAR			
4. Select the program year for which program benefits are requested (Check only one). A. <input type="checkbox"/> 2009 Average AGI will be based on the taxable years 2005, 2006, and 2007 B. <input type="checkbox"/> 2010 Average AGI will be based on the taxable years 2006, 2007, and 2008 C. <input checked="" type="checkbox"/> 2011 Average AGI will be based on the taxable years 2007, 2008, and 2009 D. <input type="checkbox"/> 2012 Average AGI will be based on the taxable years 2008, 2009, and 2010			
SPECIAL RULE			
If at least 66.66 percent of the average adjusted gross income of an individual or legal entity is derived from farming, ranching, or forestry operations, then income received from the following will be included as farm income: <ul style="list-style-type: none"> - The sale of equipment to conduct farm, ranch or forestry operations - Providing production inputs and services to farmers, ranchers, foresters, and farming operations. 			
FARM INCOME		NONFARM INCOME	
Note: When completing Items 5-7, see the definition of "farm income" and "nonfarm income" on Page 2.			
5. I certify that the average adjusted gross <u>farm income</u> of the individual or legal entity in Item 2 (for the program year selected in Item 4) was: (Check one) A. <input checked="" type="checkbox"/> Less than (or equal to) \$750,000 B. <input type="checkbox"/> More than \$750,000		6. I certify that the average adjusted gross <u>nonfarm income</u> of the individual or legal entity in Item 2 (for the program year selected in Item 4) was: (Check one) A. <input checked="" type="checkbox"/> Less than (or equal to) \$500,000 B. <input type="checkbox"/> More than \$500,000 but less than (or equal to) \$1,000,000 C. <input type="checkbox"/> More than \$1,000,000	
TOTAL FARM and NONFARM INCOME			
7. Of the <u>total</u> (farm and nonfarm) average adjusted gross income (for the program year selected in Item 4), was at least 66.66 percent from farming, ranching, or forestry operations? If "YES", I understand the "Special Rule" outlined above applies and have included the additional income when certifying the adjusted gross farm income in Item 5. I have read and understand the definition of farm income on Page 2. A. <input type="checkbox"/> NO B. <input checked="" type="checkbox"/> YES			
By signing this form: <ul style="list-style-type: none"> - I acknowledge that I have read and reviewed all definitions and requirements on Page 2 of this form; - I certify that all information contained within this certification is true and correct; - I take responsibility to timely notify FSA in writing of any changes to the farming, ranching, or forestry operation, or a change in financial status that may affect this certification; - I certify that the income certifications are consistent with the tax returns filed with the Internal Revenue Service (IRS) and with the definitions specified on Page 2 of this form; - If requested, I will submit evidence such as tax records, business documents (for review only, not for retention), or a signed third-party verification deemed acceptable by CCC to verify the average adjusted gross income, average adjusted gross farm income, and average adjusted gross nonfarm income, and that I will take the necessary actions to provide such documents or certification; - I agree to authorize CCC to obtain tax data from the IRS for AGI compliance verification purposes by filing form CCC-927 or CCC-928 with the IRS for the program year selected in Item 4, and I will take all necessary actions required by the terms and conditions of the IRS disclosure laws so that CCC can obtain such data. 			
8. Signature (By) /s/ Archie Stanton		9. Title/Relationship (Individual Signing in the Representative Capacity if applicable) President, Flatland Farms and Livestock LLC	
		10. Date (MM-DD-YYYY) 01-11-2011	

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198 Average AGI Certification (Continued)

B Example CCC-926 (Continued)

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CCC-926 (12-22-10)

Page 2 of 2

GENERAL INFORMATION ON AVERAGE ADJUSTED GROSS INCOME

Individuals or legal entities that receive benefits under most commodity and conservation programs administered by CCC cannot have incomes that exceed certain limits set by law. For entities, both the entity itself, and its members cannot exceed the income limitations. If a member, whether an individual or an entity, of an entity exceeds the limitations, payments to that entity will be commensurately reduced according to that member's direct or indirect ownership share in the entity. *(All members of the entity must also submit this form to verify income limitations are met.)*

Individuals or legal entities with average adjusted gross farm income greater than \$750,000 shall be ineligible for direct payments under the Direct and Counter-cyclical Program.

Individuals or legal entities with average adjusted gross nonfarm income that exceeds \$500,000 shall be ineligible for commodity program payments, price support benefits, disaster assistance programs, and for the Milk Income Loss Compensation Program.

Additionally, individuals or legal entities with average adjusted gross nonfarm income exceeding \$1 million will be ineligible for new contracts or participation in conservation programs after October 1, 2008, unless at least 66.66 percent of their total average adjusted gross income (*sum of farm and nonfarm income*) is generated from activities related to farming and defined as "farm income" below.

DEFINITIONS

Adjusted Gross Income is the individual's or legal entity's IRS-reported adjusted gross income consisting of both farm and nonfarm income. A three year average of that income will be computed for the three years of the relevant base period identified on the first page of this form to determine eligibility for the applicable program year.

Adjusted Gross Farm Income is the part of the yearly adjusted gross income that is farm income. The amount is computed separately for each year and then averaged. **Farm income means income** related to the following: production of crops, livestock, fish and aquaculture for food; the feeding and rearing of livestock; products produced or derived from livestock; production of specialty crops and unfinished raw forestry products; processing packing, storing and transporting farm, ranch and forestry commodities including renewable energy; production of farm-based renewable energy; the sale of land used for agriculture; sale of land or sale of easements and development rights to agricultural land, water and hunting rights, and environmental benefits; rental or lease of land or equipment used in farming, ranching, forestry operation; payments and benefits from risk management practices, crop insurance indemnities, catastrophic risk protection plans, conservation program and government farm program payments. Proceeds from the sale of farm equipment and from production inputs and services to farmers and ranchers are generally considered nonfarm income. However, if at least 66.66 percent of the average adjusted gross income of the individual or legal entity is derived from farming, ranching, or forestry operations, the individual's or legal entity's farm income will also include the sale of equipment to conduct farm, ranch or forestry operations, and the income from the sale of production inputs and services to farmers, ranchers, foresters, and farm operations.

Adjusted Gross Nonfarm Income is the difference for the year between the filer's adjusted gross income and the filer's adjusted gross farm income. The difference is computed separately for each year and then averaged.

Legal Entity is a corporation, joint stock company, association, limited partnership, charitable organization, or similar entity, including any such entity or organization participating in the operation as a partner in a general partnership, a participant in a joint venture, a grantor in a revocable trust, or as a participant in a similar entity, including joint ventures and general partnerships as determined by the Secretary.

Program year means the year (*beginning and ending dates determined by CCC*) for which a specific benefit is made available under a program authorized by legislation such as the Direct and Counter-cyclical Program, Milk Income Loss Contract Program, Conservation Reserve Program, Noninsured Crop Disaster Assistance Program, Supplemental Revenue Assistance Program. FSA may require additional information as necessary to make the relevant program payments.

Third-party verification means a signed statement from a certified public accountant (CPA) or an attorney that the individual or legal entity meets the applicable adjusted gross income provisions for payment eligibility.

HOW TO DETERMINE ADJUSTED GROSS INCOME

Individual. For individuals that file the Internal Revenue Service (IRS) Form 1040, specific lines on that form represent the adjusted gross income and the income from farming, ranching or forestry operations.

Trust or Estate. For a trust or estate, the adjusted gross income is the total income and charitable contributions reported to IRS.

Corporation. For a corporation, the adjusted gross income is the total of the final taxable income and any charitable contributions reported to IRS.

Limited Partnership (LP), Limited Liability Company (LLC), Limited Liability Partnership (LLP) or Similar Entity. For an LP, LLC or LLP, the adjusted gross income is the total income from trade or business activities plus guaranteed payments to the members as reported to the IRS.

Tax-exempt Organization. For a tax-exempt organization, the adjusted gross income is the unrelated business taxable income excluding any income from non-commercial activities as reported to the IRS.

The U.S. Department of Agriculture (USDA) prohibits discrimination in all of its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, political beliefs, genetic information, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write to USDA, Assistant Secretary for Civil Rights, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, S.W., Stop 9410, Washington, DC 20250-9410, or call toll-free at (866) 632-9992 (English) or (800) 877-8339 (TDD) or (866) 377-8642 (English Federal-relay) or (800) 845-6136 (Spanish Federal-relay). USDA is an equal opportunity provider and employer.

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201 Supplemental Information to CCC-926, CCC-927, and CCC-928

A Explanation of Average AGI Verification Process

*--CCC-929:

- must be provided with CCC-926's, CCC-927's, and CCC-928's
- serves to inform all program participants about the average AGI verification process.

B Example of CCC-929

The following is an example of CCC-929.

<p>This form is available electronically.</p> <p>CCC-929 (12-22-10)</p>	<p>U.S. DEPARTMENT OF AGRICULTURE Commodity Credit Corporation</p>
<p>AVERAGE ADJUSTED GROSS INCOME (AGI) SUPPLEMENTAL</p>	
<p>– Why is it necessary to verify average AGI?</p> <p>The Food, Conservation, and Energy Act of 2008 (the 2008 Farm Bill) provides that individuals and legal entities with average AGI in excess of a specified average AGI limitation are ineligible for payments subject to that limitation. In general, the limitations are: \$500,000 average nonfarm AGI for commodity programs; \$750,000 average farm AGI for direct payments under the Direct and Counter-cyclical Program or ACRE program; and \$1 million average nonfarm AGI for conservation programs.</p> <p>All direct and indirect recipients of commodity or conservation program payments are required to complete the CCC-926, Average Adjusted Gross Income (AGI) Statement. However, the U.S. Government Accountability Office (GAO) concluded in a recent report that, without an adequate verification process, USDA could not ensure payments were only being made to eligible recipients.</p>	
<p>– What process has been developed to verify average AGI?</p> <p>USDA has worked with the Internal Revenue Service to develop an electronic information exchange process strictly for the purpose of average AGI verification. This process electronically looks at certain line items on tax returns filed for the applicable three-year period; performs a series of calculations to arrive at the average amounts; and then compares these values to the average AGI limitations. USDA receives the results of these comparisons with indicators of whether the participant appears to exceed or not exceed the average AGI limitation amounts. No actual tax data will be included. USDA county office personnel will not view tax return information at any time during this process.</p>	
<p>– Will there be an opportunity to provide additional information or possible explanation and appeal if the results show that it appears one or more of the average AGI limitations have been exceeded?</p> <p>As part of the review and evaluation process, participants will be afforded the opportunity to provide tax returns and other information in explanation of the AGI certification. All written notifications of AGI compliance determinations will include explanations and the appropriate appeal rights. If necessary, the cases that appear to exceed the average AGI limitations will be reviewed and evaluated by FSA State office and/or headquarters personnel. The cases will not be reviewed by personnel from the local FSA office.</p>	
<p>– What is required for USDA to verify average AGI?</p> <p>IRS requires written consent from the individual or legal entity to provide USDA verification of the average AGI for that individual or legal entity. This written consent is provided by using the forms CCC-927, Consent to Disclosure of Tax Information – Individual; or if a legal entity, the CCC-928, Consent to Disclosure of Tax Information – Legal Entity. The CCC-927 and CCC-928 forms allow the selection of 2009, 2010, and/or 2011. Selection of "2009" on the form authorizes IRS to perform the average AGI calculations for the 2005, 2006, and 2007 tax years. Selection of "2010" on the form authorizes IRS to perform the average AGI calculations for the 2006, 2007 and 2008 tax years. Selection of "2011" on the form authorizes IRS to perform the average AGI calculations for the 2007, 2008 and 2009 tax years. The CCC-927 or CCC-928, as applicable, must be completed for the same year(s) an individual or legal entity was required to complete the CCC-926, Average Adjusted Gross Income (AGI).</p>	
<p>– When must the applicant consent form be completed and where does it go?</p> <p>Timeliness is essential in order to avoid any delays in the issuance of program payments and the possibility of refunding program payments. The consent forms should be mailed directly to IRS at the address given on the form as soon as possible. Do not return the completed and signed forms to the FSA office.</p>	
<p>– What if the consent form is not completed and mailed to IRS?</p> <p>Failure to provide the written consent may require refund of applicable payments received from FSA and NRCS.</p>	
<p>– Why can't the completed consent forms be provided to the local FSA office like any other program related documents?</p> <p>The consent forms are for IRS, not FSA, and contain Personally Identifiable Information (PII). To afford maximum protection of PII, the completed forms must be sent directly to the IRS.</p>	
<p>– Will any other USDA agency other than FSA be provided knowledge of this information returned from the IRS?</p> <p>NRCS will be the only other USDA agency that will have knowledge of this information since conservation programs administered by NRCS are subject to the \$1 million average nonfarm AGI for conservation programs.</p>	
<p>– Will IRS be able to utilize the information for any other purposes and can it be disclosed to any persons or organizations outside of the government?</p> <p>IRS will only use this information and data for this specified purpose. The data and information utilized for AGI compliance and verification purposes is not subject to disclosure under the Freedom of Information Act (FOIA).</p>	
<p>– Will IRS be able to utilize the information for any other purposes and can it be disclosed to any persons or organizations outside of the government?</p> <p>IRS will only use this information for this specified purpose. The information utilized for AGI compliance and verification purposes is not subject to disclosure under the Freedom of Information Act (FOIA). Furthermore, IRS and USDA are the only Federal, State, Local government agencies, Tribal agencies, or nongovernmental entities allowed by statute, regulation, or Routine Use to gain any measure of access to the information collected by the CCC-926, CCC-927, and CCC-928. And, IRS and USDA access to the information collection is highly limited, extending only to that access required by the specified purpose.</p>	

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--202 Review and Validation Process*A IRS Calculations and Comparisons**

For each participant who submits a completed CCC-927 or CCC-928, IRS will:

- match participant's supplied information with IRS tax records and filings
- perform a series of calculations to determine AGI and average AGI amounts for the applicable 3-year periods
- compare calculated amounts to established average AGI limitation amounts
- report the results of the data-matching and calculations to FSA on a regular basis.

B IRS Results Reported to FSA

IRS provides results to FSA indicating the following information:

- whether or not the participant appears to meet 1 or more of the average AGI limitations
- number of years in the applicable 3-year period that tax data was available for the participant and used in the calculations
- IRS forms series on file and used in the data comparison for each participant.

IRS does **not** provide to FSA the following:

- dollar amounts representing the participant's farm or nonfarm income
- AGI or average AGI amounts calculated and used in the comparisons
- a determination whether or not the participant is eligible or ineligible for payments under program that are subject to average AGI compliance.

C Receipt and Storage of Data From IRS

The information transferred from IRS to FSA is:

- received and stored in a secure database
- only accessible by authorized personnel
- used only in the AGI verification process
- **not** releasable under FOIA
- **not** available for any other purposes or uses.--*

Reports, Forms, Abbreviations, and Redelegations of Authority

Reports

None.

Forms

This table lists all forms referenced in this handbook.

Number	Title	Display Reference	Reference
AD-1026A	Supplemental to AD-1026		34
CCC-502	Farm Operation Plan for Payment Eligibility Review for _____		Ex. 10
CCC-509	2009-2012 Direct and Counter-Cyclical Program Contract		3, 119, 157
CCC-526	Payment Eligibility Average Adjusted Gross Income Certification		Ex. 10
CCC-580	Milk Income Loss Contract (MILC)		186
CCC-900-1	Payment Eligibility/Limitation Selection, Notification, and Information Collection Checklist 1	421	
CCC-900-2	Payment Eligibility/Limitation Documents Received From Producer Checklist 2	421	
CCC-900-3	Payment Eligibility/Limitation Contribution Worksheet	421	
CCC-900-4	Payment Eligibility/Limitation Substantive Change and Other Determinations Worksheet	421	
CCC-900-5	Payment Eligibility/Limitation Summary of Findings and Recommendations	421	
CCC-901	Member's Information - 2009 and Subsequent Years	99	Text
CCC-902 Continuation	Continuation Sheet for Leased or Owned Land (Attach to Form CCC-902I or CCC-902E)	140	Text, Ex. 10
CCC-902E	Farm Operating Plan for an Entity - 2009 and Subsequent Program Years	120, 122, 140, 149, 158, 170	Text, Ex. 10
CCC-902E Continuation	Continuation Sheet for Farm Operating Plan for an Entity - 2009 and Subsequent Program Years	141	34
CCC-902EYR	End-of-Year Report of payment Limitation Review	441	
CCC-902I	Farm Operating Plan for an Individual - 2009 and Subsequent Program Years	130	Text, Ex. 10
CCC-902I Short Form	Farm Operating Plan for an Individual - 2009 and Subsequent Program Years	131	34, 74

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

Forms (Continued)

Number	Title	Display Reference	Reference
CCC-903	Worksheet for Payment Eligibility and Payment Limitation Determinations	207	33, 109
CCC-926	Average Adjusted Gross Income (AGI) Statement	198	31, 32, 119, 189, 199, 200, Ex. 10
CCC-927	Consent to Disclosure of Tax Information - Individual	200	199, 200, 202, 203.4, 204, Ex. 11-13
CCC-928	Consent to Disclosure of Tax Information - Legal Entity	200	199, 201, 202, 203.4, 204, Ex. 11-13
CCC-929	Average Adjusted Gross Income (AGI) Supplemental	201	
CRP-1	Conservation Reserve Program Contract		13, 187, 190, Ex. 10
FSA-211	Power of Attorney		189
I-151 <u>1/</u>	Alien Registration Receipt Card		107
I-551	Permanent Resident Card/Resident Alien Card	107	108, 120, Ex. 2
IRS-990	Return of Organizations Exempt From Income Tax		97
IRS-1120S	U.S. Income Tax Return for an S Corporation		191

1/ Form is obsolete.

Abbreviations Not Listed in 1-CM

The following abbreviations are **not** listed in 1-CM.

Approved Abbreviation	Term	Reference
AMA	Agriculture Management Assistance	11, 187
AWEP	Agricultural Water Enhancement Program	11, 187
CBWP	Chesapeake Bay Watershed Program	11, 187
CCPI	Cooperative Conservation Partnership Initiative	11, 187
CPA	Certified Public Accountant	189, 200, 204
CSTP	Conservation Stewardship Program	11, 14, 187
EIN	employer identification number	156, 168, 200
ELAP	Emergency Assistance Program for Livestock, Honey Bees, and Farm-raised Fish	11, 14, 186, 187
FRPP	Farm and Ranchland Protection Program	11, 187