

For: State and County Offices

Incorrect Amounts Reported on 1999 CCC-1099-A's for Loan Forfeitures or Settlements

Approved by: Acting Deputy Administrator, Management



1 Overview

A

Background

An error has been discovered in the APSS Forfeiture and Settlement software that caused incorrect amounts to be reported on calendar year 1999 CCC-1099-A's, "Report of Loan Forfeiture, Settlement, and Abandonment to Producer". Refer to Information Bulletin No. 1805, "Incorrect CCC-1099A's", dated January 10, 2000. The software error caused the amount on CCC-1099-A to be doubled for every loan forfeiture and settlement that was corrected during calendar year 1999.

KCMO is currently working on a software edit/fix to correct the errors in the IRS reporting process. This software edit/fix will be provided at a later date with related instructions.

B

Purpose

This notice provides instructions on supplying producers with information they need to meet the IRS January 31, 2000, deadline.

Note: The instructions in this notice apply **only** to APSS settlements and/or forfeitures that have had a correction processed through APSS.

Disposal Date	Distribution
August 1, 2000	State Offices; State Offices relay to County Offices

Notice FI-2414

2 County Office Action

A

Reviewing CCC-1099-A and Providing Documentation

County Offices shall carefully review all CCC-1099-A's for accuracy by comparing them to the amount on the producer's CCC-692.

If a discrepancy exists, County Offices shall provide the producer with a copy of the following by January 31, 2000:

- the incorrect CCC-1099-A

Note: Line through the incorrect amount and write the correct amount in the appropriate box.

- CCC-692 with the IRS reportable amount highlighted
 - CCC-1099-A-2 from 62-FI, Exhibit 5.5.
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B

Informing the Producer

After the APSS edit/fix software has been received and installed, and corrections to the forfeiture and/or settlement have been performed, County Offices shall advise producers that:

- a corrected CCC-1099-A-1 will be provided to them
 - the corrected amount will be provided to IRS.
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C

Contact

County Offices shall contact the State Office. State Offices shall contact Jim McAfee, KCMO, SCFOD at 816-926-6022.
