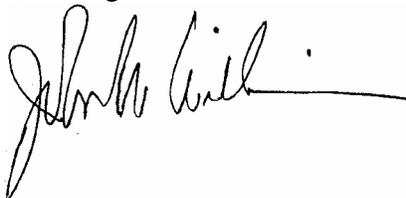


**For:** KC-ITSD and State and County Offices

**Reporting CCC-1099-A's to Producers and IRS**

**Approved by:** Deputy Administrator, Management



**1 Overview**

**A Background**

IRS Code, Section 6050J, requires that CCC as a lender of money secured by property in connection with a trade or business, file an information return reporting any full or partial acquisition of this property. This requirement applies to CCC when either of the following occurs:

- CCC acquires an interest in any property in full or partial satisfaction of any debt
- CCC has reason to know that the property in which it has a security interest has been abandoned.

**B Purpose**

This notice provides procedures to State and County Offices for:

- printing CCC-1099-A's for producers for calendar year 2004 loan collateral acquisitions
- distributing CCC-1099-A's to producers in January 2005
- transmitting CCC-1099-A loan collateral acquisition data to KC-ITSD
- purging prior year price support loan forfeiture, settlement, or abandonment data from the IRS history file.

**C System-Generated CCC-1099-A**

A system-generated CCC-1099-A will be used for reporting both original and corrected transactions to the producer.

<b>Disposal Date</b> April 1, 2005	<b>Distribution</b> KC-ITSD and State Offices; State Offices relay to County Offices
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## Notice FI-2671

### 2 Action Items

#### A County Office Action

County Offices shall take the following action beginning with the Accounting Main Menu AAA000.

Step	Action
1	On Menu AAA000: <ul style="list-style-type: none"><li>• ENTER "7", "IRS Reporting Function"</li><li>• PRESS "Enter" to access IRS Reporting Menu AFA110.</li></ul>
2	On Menu AFA110: <ul style="list-style-type: none"><li>• ENTER "3", "Print Original CCC-1099-A's"</li><li>• PRESS "Enter".</li></ul> <p><b>Note:</b> This option will print all CCC-1099-A's for producers recorded in the IRS history file and can only be selected between January 1 and January 26, 2005.</p> <p>Review printed CCC-1099-A's for legibility and accuracy before releasing them to producers.</p> <p>A negative report is required from offices that have no forfeiture, settlement, or abandonment activity, and will only be generated by selecting the print option.</p>
3	Mail CCC-1099-A's to producers by January 28, 2005.
4	Transmit IRS transmission files as of COB Friday, January 28, 2005. <p><b>Note:</b> IRS history file will automatically be included in the first transmission created using the "Queue All" option after selecting the CCC-1099-A print option.</p>
5	Purge prior year price support loan forfeiture, settlement, or abandonment data recorded in the IRS history file according to 62-FI, paragraph 35.

#### B KC-ITSD Action

KC-ITSD shall take the following action.

Step	Action
1	Monitor transmissions received from County Offices to ensure that IRS history files have been received by February 2, 2005.
2	On February 4, 2005, contact State Office computer specialists for each County Office that has <b>not</b> transmitted files to IRS. <p><b>Note:</b> Continue contacting State Offices until all IRS history files have been successfully transmitted to KC-ITSD through transmission, tapes, or both.</p>