

For: State and County Offices; KC-ITSD

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

Approved by: Associate Administrator for Operations and 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 2010 loan collateral acquisitions
- distributing CCC-1099-A's to producers in January 2011
- 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's

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

Disposal Date	Distribution
March 1, 2011	KC-ITSD and State Offices; State Offices relay to County Offices

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1 Overview (Continued)

D Contact Information

If there are questions about this notice, State Offices shall contact the appropriate office as follows.

Issue	Contact
Software related problems.	National Help Desk at 800-255-2434. Note: Select option 3 for hardware and FSA application software.
Policies in this notice.	Jackie Pickens by: <ul style="list-style-type: none">• e-mail to jackie.pickens@wdc.usda.gov• telephone at 703-305-1310.
Data transmission questions.	Delores Smith by: <ul style="list-style-type: none">• e-mail to delores.smith@kcc.usda.gov• telephone at 816-926-1440.

Note: County Offices shall retain copies of all CCC-1099-A's issued in the event a copy or replacement is requested by the recipient.

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2 Action

A County Office Action

County Offices shall take the following action between **January 4 and January 21, 2011**, on Accounting Main Menu AAA000.

Step	Action
1	<p>On Menu AAA000:</p> <ul style="list-style-type: none"> • ENTER “7”, “IRS Reporting Function” • PRESS “Enter” and IRS Reporting Menu AFA105 will be displayed.
2	<p>On Menu AFA105:</p> <ul style="list-style-type: none"> • ENTER “1”, “IRS Settlements, Forfeitures and Abandonments Reporting” • PRESS “Enter” and Loan Transaction Menu AFA110 will be displayed.
3	<p>On Menu AFA110:</p> <ul style="list-style-type: none"> • ENTER “3”, “Print Original CCC-1099-A’s” • PRESS “Enter”. <p>Note: This option:</p> <ul style="list-style-type: none"> • will print all CCC-1099-A’s for producers recorded in the IRS history file • can only be selected between January 4 and January 21, 2011. <p>Review printed CCC-1099-A’s for legibility and accuracy before releasing to producers.</p> <p>A negative report:</p> <ul style="list-style-type: none"> • is required from offices that have no forfeiture, settlement, or abandonment activity • will only be generated by selecting the print option. The negative report will transmit to KC-ITSD.
4	Mail CCC-1099-A’s to producers no later than January 21, 2011 .
5	<p>Transmit IRS transmission files as of COB January 21, 2011.</p> <p>Note: The 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>
6	Purge prior year price support loan forfeiture, settlement, or abandonment data recorded in the IRS history file according to 62-FI, paragraph 35.

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2 Action (Continued)

B KC-ITSD Action

KC-ITSD shall take the following actions.

Step	Action
1	Monitor transmissions received from County Offices to ensure that IRS history files have been received by COB February 1, 2011 .
2	On February 4, 2011 , contact State Office computer specialists for each County Office that has not transmitted files to IRS. Important: Continue contacting State Offices until all IRS history files have been successfully transmitted to KC-ITSD.