

For: State and County Offices

LFP and LIP Payment - Subsidiary AGI Certification Software Update

Approved by: Deputy Administrator, Farm Programs



1 LFP and LIP Payment - Subsidiary AGI Certification Software Update

A Background

The 2014 Farm Bill establishes that a person or legal entity is **not** eligible to receive a LFP or LIP payment beginning October 1, 2011, and subsequent years, if the average, AGI exceeds \$900,000.

Notice LDAP-55 advised County Offices that software needed to be updated to allow for payments to read the \$900,000 AGI provision. Until that time, County Offices were instructed to manually verify the \$900,000 average AGI certification and not to load approval dates into the system for 2012, 2013, and 2014 applications unless the producer has certified to meeting AGI provisions. The subsidiary software that allows for updates to the \$900,000 AGI was released on June 30, 2014.

B Purpose

This notice informs State and County Offices that:

- updated software to read the \$900,000 AGI certification for LFP and LIP payments will be available on or about August 22, 2014
- manual verification before loading approval dates for 2012, 2013, and 2014 applications will no longer be required once the updated subsidiary software is available.

C Overpayments Because of AGI

State Offices have reported that the IRS has not yet received and/or processed AGI certifications. As a result, after the software is enabled, a producer may appear on the pending overpayment register because the AGI certification has not yet been updated in the subsidiary as a receivable.

Disposal Date	Distribution
December 1, 2014 8-12-14	State Offices; State Offices relay to County Offices

Notice LDAP-65

1 LFP and LIP Payment - Subsidiary AGI Certification Software Update (Continued)

C Overpayments Because of AGI (Continued)

To ensure that these pending overpayments are **not** automatically transferred to NRRS, the number of days for automatic transfer of LFP and LIP overpayments will be temporarily changed from 20 workdays to 60 workdays.

Note: If the overpayment is determined to be a legitimate debt, it may immediately be transferred to NRRS. See 9-CM, paragraph. 65.

D Actions

State Offices shall ensure that County Offices are immediately informed of the contents of this notice.

County Offices shall immediately follow the contents of this notice.