

**For:** FSA Offices

**Further Policy for Verifying Adjusted Gross Income (AGI)  
Applicable to Market Gain and LDP**

**Approved by:** Deputy Administrator, Farm Programs



**1 Overview**

**A Background**

Notice LP-1945 provided information and instructions to State and County Offices, CMA's, DMA's, and LSA's about verification of AGI compliance for producers to earn marketing assistance loan market gains and LDP's. Further policy and reminders are necessary to ensure that:

- producers not in compliance with AGI do not earn market gains or LDP's
- CMA's, DMA's, and LSA's receive advance notification through the CMA eligibility process of a producer's AGI status because some producers:
  - obtain market gains and LDP's only through CMA, DMA, or LSA
  - may not have filed the AGI certification at their County Office.

**B Purpose**

This notice provides:

- the date by which producers who may earn a market gain or LDP must submit the AGI certification
- a reminder for updating AGI flags for producers who have not filed CCC-526.

<b>Disposal Date</b>	<b>Distribution</b>
March 1, 2005	FSA Offices

## Notice LP-1954

### 2 AGI Certification Deadline

#### A Certification of Average AGI

1-PL, subparagraph 630 A, provides that the AGI certification on CCC-526 or a statement from an accountant or attorney must be submitted:

- by the deadlines established by the applicable programs
- before issuing any benefit subject to AGI provisions.

#### B Deadline Applicable to Market Gains and LDP's

Beginning with the 2004 crop year, for producers who may earn a market gain or LDP, the deadline by which they must submit the AGI certification is the earlier of:

- the latest crop reporting date applicable to the county according to 2-CP
- issuance of a market gain or LDP.

### 3 AGI Flag Values

#### A Setting AGI Flag Values

According to 2-PL, subparagraph 57 C, if a producer or entity member has not filed CCC-526 and a payment is due for the producer, the AGI flag shall be updated to "N" for the producer or member until:

- CCC-526 is filed
- the producer or member is determined to be eligible for program benefits.

#### B County Office Action

County Offices shall:

- assume any producer, including CMA, DMA, and LSA producers, earning market gains and LDP's in a prior crop year will be due a market gain or LDP for the current year

**Note:** State and County Offices can identify 2003 crop year CMA and DMA producers, except for cotton, from lists provided State Offices according to CMA Notice-81.

- take action according to 2-PL, subparagraph 57 C.