

**For:** State and County Offices

**Additional Eligibility Guidance for  
Pandemic Assistance for Timber Harvesters and Haulers (PATHH) Program**

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



**1 Overview**

**A Background**

County Offices began accepting 2020 Pandemic Assistance for Timber Harvesters and Haulers (PATHH) Program applications (FSA-1118) on July 22, 2021. There has been a high volume of PATHH applicants who do not have one of the three eligible North American Industry Classification System (NAICS) codes on their tax returns, have no NAICS codes, and/or no IRS Form 2290, Heavy Highway Vehicle Use Tax Return, for logging vehicles. Policy has been developed on how to process these types of applicants under PATHH. There have also been questions concerning what should be recorded on the FSA-1118 as gross revenue.

**B Purpose**

This notice provides guidance to State and County Offices for:

- reporting gross revenue
- IRS Form 2290 for logging vehicle requirements
- NAICS code clarification and applicant eligibility when an applicant:
  - has a NAICS code other than those listed in Notice PDAP-2
  - has no NAICS code
  - is a timber hauler but does not have IRS Form 2290 for logging vehicles.

<b>Disposal Date</b>	<b>Distribution</b>
December 1, 2021	State Offices; State Offices relay to County Offices

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### 1 Overview (Continued)

#### C Contact Information

State Offices will direct questions to Jody Kenworthy by either of the following:

- email to [jody.kenworthy@usda.gov](mailto:jody.kenworthy@usda.gov)
- telephone at 202-690-5230.

County Offices will direct questions to the applicable DD or State Office Program Specialist.

### 2 Reporting Gross Revenue, IRS Form 2290, and FSA-1118 Part C for Harvesters & Haulers

#### A Reporting Gross Revenue

An applicant must have 50 percent or more of their gross revenue derived from timber harvesting, timber hauling, or both during the periods of January 1, 2019, through December 1, 2019, and January 1, 2020, through December 1, 2020.

When reporting gross revenue loss on the FSA-1118 the applicant will separate their receipts for timber harvesting and timber hauling transactions from the rest of their business and report only that revenue amount (timber harvesting and timber hauling) for the PATHH program. The applicable time periods for PATHH are 11 months and not full calendar years. Applicants should not use their total profit and loss report to report revenue unless all profit and loss is from timber harvesting and/or timber hauling or the specific timber harvesting and/or hauling profit and loss can be extracted from the report.

#### B IRS Form 2290

Timber haulers must provide a copy of their entire 2019 and 2020 IRS Form 2290 for logging vehicles with their PATHH application.

Part D (Timber Harvester/Timber Hauler Certification) of the FSA-1118 requires only timber haulers to check “Yes” or “No” to certify that they have provided the IRS Form 2290, Heavy Highway Vehicle Use Tax Return, for logging vehicles or that they hauled timber on tribal land and not required to complete the IRS Form 2290. The yes or no certifications are year specific for 2019 and 2020 respectively. If the applicant only has the 2020 IRS Form 2290, the applicant will not need to supply the 2019 IRS Form 2290 for PATHH. The applicant will check “No” for providing a copy of their 2019 IRS Form 2290 for logging vehicles. This action will not make the applicant ineligible for PATHH.

The 2020 IRS Form 2290 is the form that goes from July 1, 2020 through June 30, 2021.

If the applicant checks “No” for providing a copy of their 2020 IRS Form 2290, and checks “Yes” for providing a copy of their 2019 IRS Form 2290, then the policy in subparagraph 3 B is applicable in all cases.

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### 2 Reporting Gross Revenue, IRS Form 2290, and FSA-1118 Part C for Harvesters & Haulers (Continued)

#### C FSA-1118 Part C for Harvesters & Haulers

If the applicant is both a timber harvester and hauler, they should enter the NAICS code that is reported on their tax return. If the applicant has multiple NAICS codes on their tax return, they should enter the code representing the majority of the business's gross revenue.

### 3 Additional NAICS Codes Consideration, No NAICS Code, No IRS Form 2290

#### A Current Policy

The three eligible NAICS codes for the PATTH program, also known as Personal Business Codes, that are utilized by applicable timber business for tax purposes and should be recorded in Part C, item 7 of the FSA-1118, are:

- 113310 for timber harvesters
- 484220 for timber haulers
- 484230 for timber haulers.

According to policy in Notice PDAP-2 other NAICS codes may be considered eligible by DAFP upon review and acceptance of supporting evidence provided. If the applicant does not have one of the above identified codes on their tax return, then the applicant should enter "NA" in item 7 and will need to provide justification as to why this is the case. Furthermore, policy also states that timber haulers must provide a copy of their IRS Form 2290.

#### B Updated Policy

Policy has been modified to allow for the eligibility consideration when an applicant has a different or no NAICS code, and/or no 2020 IRS Form 2290. For applicants to be considered eligible in these circumstances, follow policy stated in this subparagraph.

**Reminder:** The applicant must demonstrate 50 percent or more of their gross revenue for 2019 and 2020 is derived from one or both types of timber businesses to be eligible for PATHH.

#### C COC Review of Primary and Secondary Documents

Primary documents (see subparagraph G) submitted with applications will be reviewed by the COC. The COC will determine if the applicant is eligible considering the documentation as evidence in lieu of one of the three eligible NAICS codes and/or IRS Form 2290.

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**3 Additional NAICS Codes Consideration, No NAICS Code, No IRS Form 2290 (Continued)**

**C COC Review of Primary and Secondary Documents (Continued)**

Secondary documentation (see subparagraph G) may be provided to support the applicant’s claim but does not provide sufficient evidence on its own to support their claim. Therefore, if the applicant only provides documents listed under the secondary documentation, the application and all documentation to support the claim will be sent to the National Office for DAFP and Forest Service to review and to determine if the application can be eligible for PATHH.

**D Additional NAICS Code Consideration or No NAICS Code**

Applicants who either do not have an eligible NAICS code as listed in subparagraph A on their tax return or have no NAICS code must provide one or more of the primary documents listed in subparagraph G to support their application certification as a timber harvester and/or timber hauler.

**E Applicant has No IRS Form 2290**

A timber hauler applicant who did not file a 2020 IRS Form 2290 must provide one or more of the primary documents listed in subparagraph G to support their certifications as a timber hauler.

**Note:** Under Part D of the FSA-1118, the applicant may check “No” for providing a copy of their 2020 IRS Form 2290 and can still be deemed eligible by the COC if they provide primary documentation.

**F Submitting Cases to National Office**

Applicants requesting to use additional documents to support their claim that are not listed in either the primary or secondary documentation, must be sent to the National Office for DAFP and Forest Service to review and decide the applicant’s program eligibility.

The following table provides the steps if a National Office review is needed.

<b>Step</b>	<b>Action</b>
1	County Office will send all documentation and justification provided by the applicant to the State Office in one email.
2	State Office will submit this to the National Office by creating a single pdf with all documentation and justifications combined.  <b>Note:</b> There should be one pdf per applicant.

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### 3 Additional NAICS Codes Consideration, No NAICS Code, No IRS Form 2290 (Continued)

#### F Submitting Cases to National Office (Continued)

Step	Action
3	Submitted cases will be formatted using standard title: “[State_Name], [Applicant_Name], [OtherNAICSCode, NoNAICSCode, or IRSForm2290] Consideration”  <b>Example:</b> “VTSmithNoNAICSCode”.
4	The file will be uploaded to the corresponding file folder (for example, “Different NAICS Code Considerations,” “No IRS Form 2290 Considerations,” or “No NAICS Code Considerations”) under “Files” in the “General” section of the FPAC-FSA-PATHH Microsoft Team.
5	For applicant’s privacy please encrypt the pdf and email <a href="mailto:jody.kenworthy@usda.gov">jody.kenworthy@usda.gov</a> and cc <a href="mailto:jamie.garriott@usda.gov">jamie.garriott@usda.gov</a> the password to the uploaded document and the document’s name in the email. Use the subject line “PATHH Applicant for DAFP Review Password.”

**Note:** An official decision of the applicant’s eligibility from DAFP will be sent to the State as a memo.

#### G Primary and Secondary Documentation

The following documentation will support an applicant’s claim that 50 percent or more of their gross income came from timber harvesting and/or timber hauling, which may be provided in lieu of providing the eligible NAICS codes. Any of the primary documentation may be provided on its own merit to support the applicant’s claim, while secondary documentation must be provided in combination with primary documentation to support an applicant’s eligibility.

Primary documentation will include one the following:

- documents showing detailed timber harvesting equipment or ownership of log-hauling truck(s), bank loan or mortgage, lease, ad valorem tax documents, and/or insurance coverage
- for loggers and haulers who work on federal lands (Forest Service or Bureau of Land Management) federal lands documentation may be provided

**Note:** This includes contracts, scale tickets, or insurance or safety inspection documents.

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### 3 Additional NAICS Codes Consideration, No NAICS Code, No IRS Form 2290 (Continued)

#### G Primary and Secondary Documentation (Continued)

- for businesses that work with State, private lands, or other landowners, similar/equivalent documentation as stated could be available for federal lands, private landowners, or the mills with which they do business.

**Note:** This includes receipts or scale tickets indicating the applicant harvested or hauled certain amounts of logs on particular dates, purchased timber access from a landowner, and/or sold or delivered logs to mills.

Secondary documentation must include one of the following:

- letter from certified public accountant noting applicant's business structure and reason for deviating from the NAICS codes listed in the PATHH program
- logger safety training certification
- professional logging association membership
- State employment job worker's compensation classifications of employees.