

**For:** State and County Offices

**Identifying Entities With Majority Interest Holders**

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



**1 Overview**

**A**

**Background**

Notice PL-100 referenced an OIG audit report that disclosed that the majority stockholder or member of a corporation or similar entity was not always combined as 1 "person" with the corporation or entity, as required by regulation, in the automated system. This condition may result in the incorrect limitation of program payments to corporations and similar entities with majority stockholders or members.

The OIG audit report also included a list, sorted by State and county codes, of individuals and entities that were not correctly combined as 1 "person" in the entity files for 1998 and 1999. This list was subsequently provided electronically to each State Office for distribution to the County Offices. This list was to assist in identifying affected producers and correcting the error condition for 1999 and subsequent years.

**B**

**Purpose**

This notice provides information and instruction on the use of 2 queries that were included in software Release No. 462. These queries, if used as directed, will provide a reasonable degree of assurance that payments will be correctly limited to corporations and similar entities and their majority stockholders and members.

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<p><b>Disposal Date</b></p> <p>December 1, 2001</p>	<p><b>Distribution</b></p> <p>State Offices; State Offices relay to County Offices</p>
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## Notice PL-102

### 1 Overview (Continued)

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#### C

#### Queries Information

Upon installation of software Release No. 462, queries designated ENTITY00 and ENTITY01 were added to the QRPRADJ1 Query library. These queries will identify entities with a majority interest holder for 2000 and 2001, respectively

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### 2 Action

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#### A

#### County Office Action

County Office personnel are instructed to use these queries to identify entities with a majority interest holder for the years 2000 and 2001. If necessary, take corrective actions in accordance with 1-PL, paragraphs 313, 393, and 394, and 2-PL, paragraphs 303 through 331.

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#### B

#### State Office Action

State Offices shall ensure that all County Offices follow provisions of this notice and monitor County Office actions as needed.

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