

For: State and County Offices

Payment Limitation for the Trade Adjustment Assistance (TAA) Program

Approved by: Acting Deputy Administrator, Farm Programs



1 Overview

A Background

The Trade Act of 2002 established the TAA program. Under TAA, producers of agricultural commodities, including livestock in the raw or natural state, may be eligible for compensation if the producers were determined to be adversely impacted by importing the agricultural commodity. The maximum cash compensation is limited to \$10,000 per “person” as defined by regulation at 7 CFR Part 1400. Additional information and instructions on administering TAA has been provided in Notice SP-5.

B Purpose

This notice provides information on:

- the application of the TAA payment limitation
- determination of “person” for the TAA payment limitation purposes
- guidance on using current payment limitation forms for TAA
- payment limitation control for the TAA program
- certification of the average adjusted gross income (AGI).

C Final Rule Information

The final rule for TAA was published in the **Federal Register** on August 20, 2003, by FAS at 7 CFR Part 1580.

The maximum amount of payments that a “person” may receive shall not exceed \$10,000 [7 CFR Section 1580.303(c)].

The total amount of payments issued to a “person” for TAA when considered with the total amount of counter-cyclical payments received under the Direct and Counter-Cyclical Program (DCP) for the same year may not exceed \$65,000 [7 CFR Section 1580.303(d)].

Disposal Date	Distribution
June 1, 2004	State Offices; State Offices relay to County Offices

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1 Overview (Continued)

D Implementation

State and County Offices shall follow the contents of this notice for implementing the payment limitation and average AGI limitation requirements for the TAA program.

2 Determining “Person”

A “Person” Determination

All “person” determinations for TAA will be made according to regulations at 7 CFR Part 1400 Subpart B, and 1-PL, Part 2, Section 6 [7 CFR Section 1580.102 definitions].

The “person” determination will apply for the year for which TAA benefits are requested [7 CFR Section 1580.301].

The requirements of actively engaged in farming, cash rent tenant, and permitted entity rules do not apply to the TAA program.

B Using Current Forms and “Person” Determinations on File

For TAA applicants that are or were on record as participants in other FSA programs in which the payments were limited by “person,” use the “person” determination on file for the year that TAA benefits are requested.

For TAA applicants that are not on record with FSA as participants in other programs, the applicable CCC-502 shall be completed.

Note: For TAA program purposes, only information about determining “person” is required. Designate all other items used for other payment eligibility determinations as “not applicable”.

For example:

- CCC-502 A, complete items 1-11, 18, and 19
- CCC-502 B, C, or D, complete items 1-14, 21, and 22
- CCC-501 A may be necessary for an individual or entity that is members of an entity.

COC shall follow instructions in 1-PL and:

- make the appropriate “person” determinations
- document determinations on CCC-503 A
- record new “person” determinations in the automated system
- provide written notice of the “person” determinations.

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3 Certifying AGI

A Average AGI

All TAA program applicants must certify compliance with the average AGI provision as defined in regulations at 7 CFR Section 1400.601 for the 3 preceding tax years [7 CFR Section 1580.301(5)].

Certifying AGI compliance will be accomplished with the completion of FSA-229.

CCC-526 will not be used for the TAA program at this time.

All provisions of 7 CFR Part 1400 Subpart G, and 1-PL, Part 6.5 are applicable to the TAA program.