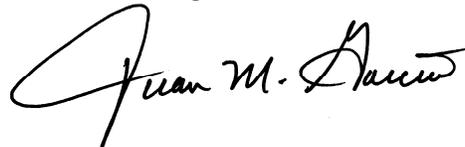


For: State and County Offices

**Notification to Program Participants to Complete and Submit
CCC-931 for 2009 and/or 2010 Payment Eligibility**

Approved by: Deputy Administrator, Farm Programs



1 Overview

A Background

The average AGI verification process for 2009 and 2010 payment eligibility **requires** that all program participants provide written consent to IRS for the disclosure of certain information to FSA. All program participants who have not submitted the required written consent to IRS for 2009 and 2010 average AGI verification purposes have been identified.

A notification letter, Exhibit 1, will be prepared and mailed **by the National Office** to participants who have not filed the written consent as required for 2009 and/or 2010. Enclosed with this notification letter will be blank CCC-931's for the participants to complete and return to the National Office. **The scheduled mailing date is November 23, 2011.**

For informational purposes **only**, each State and County Office will have access to the list of participants that receive notification letters. This information will assist State and County Office personnel in responding to questions from the recipients of the notification letters.

B Purpose

This notice provides:

- an example of the notification letter (Exhibit 1)
- the mailing date of the notification letters
- how the recipients were identified
- information on accessing the list of recipients
- actions required from the letter recipients
- suggested responses to questions from the recipients
- an overview of National Office actions.

Disposal Date	Distribution
November 1, 2012	State Offices; State Offices relay to County Offices; and to NRCS Offices

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2 Reconciliation Reports

A Selection Process

A comparison of the average AGI certifications of FSA and NRCS program participants with IRS information resulted in reports that identified the following:

- 2009 program participants that have **not** submitted the required written consent to disclosure (CCC-927 or CCC-928) to IRS with a 2009 eligibility record that contains an AGI value of “Compliant-Producer” or “Compliant-Agent” for 1 of the following:
 - Commodity Program Certification/COC Determination
 - Direct Payment Certification/COC Determination
 - Conservation Program Certification/COC Determination
- 2010 program participants that have **not** submitted the required written consent to disclosure (CCC-927 or CCC-928) to IRS with a 2010 eligibility record that contains an AGI value of “Compliant-Producer” or “Compliant-Agency” for 1 of the following:
 - Commodity Program Certification/COC Determination
 - Direct Payment Certification/COC Determination
 - Conservation Program Certification/COC Determination.

B Availability, Contents, and Using Reconciliation Reports

The Reconciliation Reports are:

- available online at <http://intranet.fsa.usda.gov/dafp>
- for FSA and NRCS **informational purposes only**.

The Reconciliation Report information:

- is separated by year and State
- includes American Samoa, Guam, Northern Marianna Islands, Puerto Rico, and the Virgin Islands.

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3 Notifications, Responses and Actions

A Participants Identified

Persons and legal entities identified on the Reconciliation Reports will receive written notice (Exhibit 1) that contains the following:

- the requirement to timely complete and submit the enclosed CCC-931 to maintain 2009 and/or 2010 payment eligibility
- instruction to select either the 2009 or 2010 program year as appropriate
- that completed CCC-931's:
 - are to be mailed to the National Office at the address provided on the form
 - **must** be mailed within 30 calendar days from the date specified on the letter
- where and how to obtain additional CCC-931's if needed.

Note: The letters will be dated **November 23, 2011**.

B Responses to Letter Recipients

Suggested information when responding to questions includes, but is **not** limited to, the following:

- notification letters reflect data transfers from IRS as of **October 1, 2011**
- all individuals and legal entities, including members of legal entities, that certified to average AGI compliance for 2009 and/or 2010 payment eligibility **must** submit a completed CCC-931 to FSA regardless of whether they directly received program benefits from CCC, FSA, or NRCS
- CCC-931 **must** be submitted with the same name and TIN as used when taxes were filed with IRS for the years 2005 through 2008
- the name and address of the individual or legal entity on CCC-931 **must** correspond with TIN of the individual or legal entity
- complete and submit the enclosed CCC-931 for 2009 or 2010 as instructed even if the FSA or NRCS program participant believes they had previously submitted a written consent, or if they have previously received a rejection notice from the IRS.

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3 Notifications, Responses and Actions (Continued)

C State and County Office Actions

State and County Offices shall:

- follow the contents of this notice
- make sufficient copies of CCC-931 available to all program participants
- emphasize to **all** FSA and NRCS program participants the requirement to timely submit a completed CCC-931 to FSA to maintain 2009 and 2010 payment eligibility
- forward any CCC-931's received for 2009 and/or 2010 with the National Office address to the National Office.

D Overview of National Office Actions

The National Office will:

- issue the notification letters as shown in Exhibit 1
- include blank CCC-931's with the return address pre-filled
- review and record all completed CCC-931's and responses received for 2009 and/or 2010
- forward all completed CCC-931's to the IRS
- process and respond to all CCC-931's rejected by the IRS
- issue notice of determination of average AGI noncompliance and subsequent ineligibility for 2009 and/or 2010 program benefits for all participants that fail to timely respond.

Example Notification Letter

The following is an example of the letter that persons and legal entities identified on the Reconciliation Reports will receive.



**United States
Department of
Agriculture**

Farm and Foreign
Agricultural
Service

Farm Service
Agency

1400 Independence
Avenue SW
Stop code 0517
Room 4758-S
Washington, DC
20250-0517

(Date)

Producer Name

Address 1

Address 2

Dear Producer:

The Food, Conservation, and Energy Act of 2008, commonly referred to as the 2008 Farm Bill, provides average adjusted gross income (AGI) limitations for participants who enroll in certain farm programs. The average AGI limitations are:

- \$500,000 nonfarm average AGI in order to receive commodity, price support or disaster program benefits;
- \$750,000 farm average AGI in order to receive direct payments under the Direct and Counter-Cyclical Program (DCP), or Average Crop Revenue Election Program (ACRE); and
- \$1 million nonfarm average AGI to receive conservation program benefits.

The Farm Service Agency (FSA) and Internal Revenue Service (IRS) formed a partnership to ensure that only those participants who comply with AGI requirements receive farm program benefits. This data-sharing process maintains the confidentiality and privacy of tax return information while providing FSA information necessary to verify and validate the average AGI certification you previously filed.

In order to verify that you are eligible for 2009 and/or 2010 farm program benefits, please complete the enclosed CCC-931, Average Adjusted Gross Income (AGI) Certification and Consent To Disclosure Of Tax Information. The completion of this form allows the IRS to average your AGI for the three applicable tax years and to provide FSA information whether or not your average AGI for 2009 and/or 2010 appears to exceed one or more of the applicable limitation amounts. Individuals, legal entities, and all members of legal entities must also complete the CCC-931. Please be sure to select the year(s) 2009 and/or 2010 as appropriate for the year or years in which program benefits were requested or received, both directly and indirectly.

FSA records indicate that you have not provided a completed consent form as needed to maintain your eligibility to receive 2009 and/or 2010 program benefits. Failure to respond to this notice will result in a determination of ineligibility for 2009 and/or 2010 program benefits. Please complete the enclosed certification and consent form and mail no later than 30 days from the date of this letter, to the following address:

**USDA - Farm Service Agency
PECD RM-4750-S Stop 0517
1400 Independence Ave SW Stop 0517
Washington, DC 20250-0517**

The certification and consent forms are available on-line at <http://www.fsa.usda.gov/cc931> or at any FSA Service Center or Natural Resource Conservation Service (NRCS) Office.

FOR NON-TAX FILERS ONLY: If you were not required to file taxes with the IRS during the applicable three year period, or your organization was not in existence and did not file taxes during the applicable three year period used for the calculation of the 2009 or 2010 average AGI, please indicate (√) the program year below, sign and date, and return this letter to the address listed above.

_____ 2009 program year (2005, 06 and 07 tax years) _____
Signature Date

_____ 2010 program year (2006, 07 and 08 tax years) _____
Signature Date

Thank you for your cooperation.