

For: State and County Offices

Update on Average AGI Compliance for 2012 and Prior Years

Approved by: Acting Deputy Administrator, Farm Programs



1 Overview

A Background

A program participant's certification to all 4 of the average AGI limitations and the consent for the disclosure of tax data by IRS for compliance verification purposes is now accomplished by completing CCC-931, dated December 7, 2011. CCC-931 is also used to obtain the written consent for the disclosure of tax data for the average AGI compliance verification of participants in 2009 through 2011 programs.

Numerous questions have been received concerning the following:

- validity of the previously filed version of CCC-931
- when the current version of CCC-931 is needed
- filing of CCC-931 for a deceased individual
- recording the average AGI certifications in the web eligibility files
- mailing CCC-931's to IRS.

B Purpose

This notice provides the following information and guidance to State and County Offices:

- using the previous and current versions of CCC-931
- correct recording of 2012 AGI certifications in the web eligibility files
- referring completed CCC-931's to IRS
- recommended actions to minimize the number of errors and rejections by IRS.

Disposal Date	Distribution
August 1, 2012 2-7-12	State Offices; State Offices relay to County Offices

2 Using CCC-931

A Earlier Version

CCC-931, dated September 1, 2011, completed before releasing the current version:

- remains valid for 2012 average AGI certifications for conservation purposes
- was used to obtain written consent for disclosure for average AGI verification purposes from participants in 2009 through 2011 programs.

B Current Version

CCC-931, dated December 7, 2011:

- is required of all participants in the 2012 DCP/ACRE Program for payment eligibility
- must be used for 2012 average AGI certification and consent for disclosure purposes
- will be used for 2009 through 2011 average AGI certification and consent for disclosure purposes.

C Deceased Persons

CCC-931 for a deceased individual may be filed by:

- the surviving spouse

Notes: “Deceased” must be written after the deceased individual’s name.

“Surviving spouse” must be written after the signature or the block that describes the relationship to the filer.

- an individual authorized to act on behalf of the deceased individual. Documentary evidence of authority must be attached.

3 Web-Based Eligibility Files

A Current Fields Available

The current fields available to record certifications for average AGI for 2009 and subsequent years are:

- “Commodity Program Certification/COC Determination”
- “Direct Payment Certification/COC Determination”
- “Conservation Program Certification/COC Determination”.

3 Web-Based Eligibility Files (Continued)

B New Fields Forthcoming

Two new fields will soon be available to record the following:

- \$1 million average AGI limitation

Note: The field will be titled “Direct Payment \$1 Million Total Income Certification/COC Determination”.

- AGI compliance review determinations.

Note: The field will be titled “SED Determination”.

C Interim Processing of 2012 Average AGI Certifications and Consents

Until software is available to record the participant’s certification to the \$1 million average AGI limitation for 2012 direct payments, 2012 average AGI certifications will be processed according to the following:

- use CCC-931, dated December 7, 2011
- obtain CCC-931, dated December 7, 2011, for participants who have already filed, or have obtained and will file, the previous version of CCC-931 when the participant completes 2012 DCP or ACRE enrollment

Exception: 2012 average AGI certifications on the previous version of CCC-931 are acceptable for conservation purposes only.

- record all 2012 average AGI certifications for conservation program participants in the web-based eligibility files
- maintain photocopy of CCC-931 as required and record all certification values for 2012 commodity, direct payments, and the new \$1 million average AGI limitation as software fields are made available
- only record 2012 average AGI compliance values in the web-based eligibility files for CCC-931’s that are completed correctly and acceptable to both FSA and IRS
- ensure that all complete CCC-931’s are referred to IRS within 120 calendar days of the signature date of the certification.

4 Avoiding Errors and Rejections by IRS and Referring CCC-931's to IRS

A Avoiding Errors and Rejections by IRS

County Offices will check CCC-931 for all of the following:

- name and address of the recording County Office
- producer name and address **must match** how taxes were filed with IRS
- TIN must have all 9 digits
- 1 program year must be selected
- valid signature and date.

Furthermore:

- **do not** pre-fill the name and address of the participant from SCIMS data
- **do not** allow the use of FSA-211 for completing CCC-931
- living spouses **cannot** sign for each other on CCC-931.

B Referring CCC-931's to IRS

CCC-931's will be referred to IRS according to the following:

- place completed CCC-931's in bundles no larger than 100 forms
- bundle each program year separately
- complete Form IRS-3210 with each bundle
- mail bundles weekly or more often if needed
- use correct P.O. Box for IRS
- send by USPS only
- use Priority Mail Flat Rate with delivery receipt requested
- retain the delivery receipts with copies of Form IRS-3210 for record of mailings.

5 Required Actions

A County Office Action

County Offices shall:

- review and follow the contents of this notice
- assist producers in correctly completing CCC-931's if producers visit or contact the County Office
- emphasize to all FSA and NRCS program participants by public media the requirement to timely submit a correctly completed CCC-931 as a condition to do either of the following:
 - receive 2012 program benefits
 - maintain payment eligibility for previous years 2009 through 2011.

B State Office Action

State Offices shall ensure that County Offices follow the contents of this notice.