


For: State and County Offices

AGI Processing Guidance Because of COVID-19

Approved by: Deputy Administrator, Farm Programs



1 Overview

A Background

5-PL and 3-PL (Rev. 2) provide County Offices with guidance for ensuring timely processing of the AGI consent forms to receive an IRS determination.

The COVID-19 pandemic is posing challenges affecting the timely processing of AGI consent forms and obtaining determinations from the IRS.

The IRS processing center in Fresno, California, was temporarily closed on March 20, 2020, because of the COVID-19 pandemic and the “Stay at Home” order by the State of California. At this time, the processing center remains closed and it is unknown when IRS processing of AGI consent forms will resume.

B Purpose

This notice announces temporary changes to accommodate the processing of AGI consent forms. Actions announced in this notice are intended to prevent delays in providing benefits to applicants of FSA and NRCS programs subject to average AGI requirements.

2 IRS Processing

A IRS Suspends AGI Processing

Because of the COVID-19 pandemic, the IRS closed its processing facility in Fresno, California, on March 20, 2020. AGI processing, including providing FSA with AGI determinations, is suspended until the processing facility is reopened.

Disposal Date	Distribution
January 1, 2021 4-14-20	State Offices; State Offices relay to County Offices

2 IRS Processing (Continued)

B AGI Consent to Disclosure Submissions (CCC-941's)

The IRS continues to receive CCC-941s by mail, which is being stockpiled until the processing center reopens and processing resumes. The IRS will use the postmark stamp on the envelope as evidence of the date of receipt and for determining the 120-calendar-day signature requirement. Currently, the 120-calendar-day requirement is still in effect.

C IRS Determinations

FSA has not received any determinations from the IRS since March 24, 2020. IRS determinations will not be received until IRS processing resumes.

3 FSA Processing Producer AGI Certifications

A Timely Submissions to the IRS

County Offices **must** continue to:

- accept and timely mail the certifications of AGI to the IRS to avoid IRS rejecting the submission because of the 120-calendar-day signature requirement
- record the “Date Documentation Filed by Producer” in Subsidiary according to 3-PL (Rev. 2).

B Resubmitting CCC-941's to the IRS

Currently, 3-PL (Rev. 2), subparagraph 26 J, step 9 provides that County Offices will resubmit CCC-941s to the IRS if a determination is not received from the IRS after 2 months from mailing CCC-941.

Until further notice, County Offices **must not** resubmit CCC-941s to the IRS when an IRS determination is not received within the 2-month period. This is a temporary action and will start again once normal AGI processing resumes.

C Extension of 180-Calendar-Day Subsidiary AGI Timer

Currently, FSA requires receipt of an IRS determination within 180 calendar days from the date the producer files a certification of average AGI on CCC-941. If a determination is not received within 180 calendar days, pending overpayments are created and future payments are prohibited.

Information Bulletin No. 9653 announced that the 180-calendar-day AGI timer was temporarily extended to 360 calendar days to allow additional time for County Offices to obtain a determination from the IRS. This is a temporary action and will be reset to the 180-calendar-day limit once normal AGI processing resumes.

4 NRCS Programs Requiring an IRS Determination of AGI

A NRCS Programs

Certain NRCS easement programs require AGI determination from the IRS or SED as a condition of approval of the agreement. Because IRS is not providing AGI determinations at this time, FSA State Offices must conduct an AGI compliance review and record the SED determination in Subsidiary according to existing policy in 5-PL and 3-PL (Rev. 2).

5 AGI Compliance Reviews

A State Office AGI Compliance Reviews

State Offices will continue conducting AGI compliance reviews for producers who received a determination from the IRS that their AGI exceeded the statutory limitation. State Offices will ensure timely determinations of eligibility according to 5-PL.

6 Action

A County Office Action

County Offices **will**:

- continue accepting AGI certifications from program applicants on CCC-941 and continue updating the producer certification and recording “Date Documentation Filed by Producer” in Subsidiary
- continue timely mailing AGI certifications to the IRS according to policy in 5-PL and 3-PL (Rev. 2)
- **not** resubmit CCC-941s to the IRS when the IRS does not provide a determination within 2 months
- notify their respective State Office when a determination of AGI is required for participation in NRCS programs.

6 Action (Continued)

B State Office Action

State Offices **will:**

- ensure that County Offices are aware of the contents of this notice
- make any determinations of AGI compliance as required by paragraph 4.

C Contact Information

County Offices will contact their State Office specialist responsible for AGI policy.

State Offices will contact Paul Hanson or Jenae Prescott by either of the following:

- e-mail to **paul.hanson@usda.gov** or **jenae.prescott@usda.gov**
- telephone at 202-720-4189.