

For: Tobacco State and County Offices

Land Ownership and Affidavits for Tobacco Transition Payment Program (TTPP)

Approved by: Deputy Administrator, Farm Programs



1 Overview

A Background

Notice TB-1138 instructed County Offices to follow 3-CM, paragraph 22, about ownership of land. 3-CM, paragraph 22 and 2-CM, paragraph 42 allow an affidavit of ownership (this must be the legal document provided by State law) to be used for providing proof of ownership of land.

A determination has been made that an affidavit is **not** acceptable as proof of ownership of land. 2-CM and 3-CM have been amended to reflect this change.

B Purpose

This notice provides instructions for handling affidavits submitted as proof of ownership of land for TTPP since March 14, 2005.

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| Disposal Date December 1, 2005 | Distribution Tobacco State Offices; State Offices relay to applicable County Offices |
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2 Late Filed Proof of Ownership of Land

A Proof for TTPP Contracts Filed by June 17, 2005

Quota holders who enter into TTPP contracts by June 17, 2005, may provide proof of ownership of their land after contracts are submitted and still receive the full contract payment when documentation has been approved, subject to other provisions such as offset or successor-in-interest contract. The following examples illustrate how this policy works.

Example 1: Jane Smith signed TTPP quota holder contract on March 24, 2005, and presented an affidavit to the County Office as proof of ownership of the farm she inherited in 1994. The County Office notified Ms. Smith before June 17, 2005, that they cannot accept the affidavit and outlined what other ownership proof is acceptable. On August 5, 2005, Ms. Smith presents acceptable ownership proof to the County Office according to 3-CM. Ms. Smith's 2005 TTPP payment is made before September 2005. The rest of Ms. Smith's TTPP payments will be paid annually in January through the end of the contract period.

Example 2: John Doe signed TTPP quota holder contract on May 31, 2005, for a farm he inherited in 1989. In February 2006, Mr. Doe presents acceptable ownership proof to the County Office. In February 2006 Mr. Doe will receive the FY 2005 and 2006 payments. The rest of Mr. Doe's TTPP payments will be paid annually in January through the end of the contract period.

B Proof for TTPP Contracts Filed After June 17, 2005

Quota holders who enter into a TTPP contract after June 17, 2005, will not be eligible for a 2005 TTPP payment. However, they may provide proof of ownership of their land at any time during the balance of the contract period and receive the remaining contract payments, subject to other provisions such as offset or successor-in-interest contract. The following example illustrates how this policy works.

Example: Steve Buck signed TTPP quota holder contract in November 2005 for a farm he inherited in 1977. Mr. Buck presents acceptable ownership proof to the County Office in February 2006. Mr. Buck will receive the FY 2006 payment in February 2006. Mr. Buck is not eligible to receive a payment for 2005 because he did not enroll in the TTPP before June 17, 2005. The rest of Mr. Buck's TTPP payments will be paid annually in January through the end of the contract period.

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3 Action

A County Office Action

County Offices shall:

- before June 17, 2005, notify all persons who have submitted affidavits as proof of ownership of land since March 14, 2005, for TTPP that affidavits are not acceptable as proof of ownership
- require all persons to submit proof of ownership as specified in 3-CM
- not accept further affidavits as proof of ownership of land
- explain payment policy to persons who enroll in TTPP, but cannot provide proof of ownership, by June 17, 2005.

B State Office Action

State Offices shall ensure that County Offices follow the provisions in this notice.