

For: Tobacco State and County Offices

**Tobacco Transition Payment Program (TTPP) Contract Transfers**

Approved by: Acting Deputy Administrator, Farm Programs



**1 Overview**

**A Background**

On April 4, 2005, regulations were published at 7 CFR Part 1463.112 to allow transfers to successors-in-interest for the purpose of obtaining a lump-sum payment. This regulation provided that the lump-sum payment must equal or be greater than the minimum discount rate (MDR) established by CCC each month. This rule provided exemptions to MDR.

CCC-962's will be processed nationally either by on-line submission or paper submission to the National Tobacco Processing Center.

CCC-971's will be processed in the local County Office where CCC-955 or CCC-956 was approved.

**B Purpose**

This notice provides provisions about contract transfers exempt from MDR.

**2 Transfer Provisions**

**A MDR Exemptions**

MDR exemptions are limited to the following:

- a family member
- because of death
- permanent quota assignment.

Disposal Date	Distribution
February 1, 2006	Tobacco State Offices; State Offices relay to applicable County Offices

## Notice TB-1179

### 2 Transfer Provisions (Continued)

#### B Family Member Transfers

If the transfer of the contract is to a family member of the contract holder (CCC-955 or CCC-956), then CCC will issue CCC-955 or CCC-956, as applicable, to the new contract holders identified by the original contract holder on CCC-971 (Exhibit 1). Family member means a parent, grandparent or other direct lineal ancestor, child or other direct lineal descendent, spouse, or sibling of a tobacco quota holder or tobacco producer.

#### C Because of Death

If the transfer of the contract is because of death of the contract holder (CCC-955 or CCC-956), CCC, upon presentation of a copy of a death certificate, will issue a CCC-955 or CCC-956, as applicable, to the:

- surviving spouse without regard to any will or other document prepared by the contract holder
- new contract holders identified on CCC-971 by a person allowed under State law to distribute the assets of the deceased contract holder and attest that there is no surviving spouse.

**Note:** Evidence of such authority includes documents such as a copy of a court order identifying the person to act on behalf of the estate, and a statement from the county attorney for the county in which the deceased person resided that the person submitting this CCC-971 may act on behalf of the estate.

#### D Permanent Quota Assignment

A party who had purchased a tobacco marketing quota before October 22, 2004, and had placed the quota on a farm with the owner's consent before October 22, 2004, according to 7 CFR Part 723.216.

## Notice TB-1179

### 3 Action

#### A County Office Action

County Offices shall:

- accept transfer requests submitted on CCC-971 with supporting documentation as applicable through December 2, 2005
- process and approve through “Contract Maintenance” when software is made available

**Note:** A forthcoming TB notice will provide processing instructions.

- publicize the provisions of this notice.

#### B State Office Action

State offices shall:

- ensure that County Offices follow the provisions of this notice
- publicize the provisions of this notice.

**CCC-971, Transfer of Tobacco Transition Payment Program Contracts Exempt from Minimum Discount Rate**

This form is available electronically.

<b>CCC-971</b> (10-12-05)	<b>U.S. DEPARTMENT OF AGRICULTURE</b> Commodity Credit Corporation  <b>TRANSFER OF TOBACCO TRANSITION PAYMENT PROGRAM CONTRACTS                  EXEMPT FROM MINIMUM DISCOUNT RATE</b>		
<b>PART A - EXISTING CONTRACT HOLDER INFORMATION (This form is not applicable for CCC-962 transfers)</b>			
1. Existing Contract Number to be Transferred 212151000957	2. Name and Address (Including Zip Code) William E. James 99 Tobacco Road Lexington, KY 60609	3. Telephone Number (Including Area Code) 606-555-1212	
4. Taxpayer Identification Number (last 4 digits)  5555		5. FAX Number (Including Area Code)  NONE	
6. Reason for Transfer (Check Only One Applicable Box)  <input type="checkbox"/> Death of existing contract holder  <input type="checkbox"/> Family member  <input checked="" type="checkbox"/> Permanent marketing quota purchased prior to 10/22/04 and assigned to existing contract holder's property.		7. Contract BQL  300  8. 10-Year Contract Value  \$ 2100.00	
<b>PART B - NEW CONTRACT HOLDER(S) INFORMATION</b>			
9.	10.	11.	<b>CCC USE ONLY</b>
Name and Address of New Contract Holder	Taxpayer Identification Number	BQL Transferred	12. New Contract Number
Rhonda McQueen 23 Easy Street Maysville, KY 55555	111-11-1111	100	212151010001
William E. James 99 Tobacco Road Lexington, KY 60609	555-55-5555	200	212151010002
<p><small><b>NOTE:</b> The authority for collecting the following information is Pub. L. 108-357. The authority allows for the collection of information without prior OMB approval mandated by the Paperwork Reduction Act of 1995. The time required to complete this information collection is estimated to average 5 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.</small></p> <p><small>The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a). The authority for requesting the following information is Pub. L. 108-357 (The Fair and Equitable Tobacco Reform Act of 2004). The information will be used to determine eligibility for program payments. Furnishing the requested information is voluntary. Failure to furnish the requested information will result in a determination of ineligibility. This information may be provided to other agencies, IRS, Department of Justice, or other State and Federal law enforcement agencies, and in response to a court magistrate or administrative tribunal. The provisions of criminal and civil fraud statutes, including 18 USC 286, 371, 641, 651, 1001; 15 USC 714m; and 31 USC 3729, may be applicable to the information provided.</small></p> <p><small>The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.</small></p>			

**CCC-971, Transfer of Tobacco Transition Payment Program Contracts Exempt from Minimum Discount Rate (Continued)**

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**PART C - AGREEMENT**

- 13. **GENERAL.** This contract, the Transfer of Tobacco Transition Payment Program Contracts (Form CCC-971) (hereafter referred to as Form CCC-971), is entered into by the Commodity Credit Corporation (CCC) in order that a person who is the signatory to a Tobacco Transition Payment Program (TTPP) contract (Existing Contract Holder) may transfer the contract to one or more persons. The following types of contracts may be transferred: (i) Tobacco Transition Payment Program Quota Holder Contract (Form CCC-955); and (ii) Tobacco Transition Payment Program Producer Contracts (Form CCC-956) (hereafter referred to as Forms CCC-955; and CCC-956 respectively). In approving this contract, CCC provides no warranties or representations with respect to the Existing Contract Holder.
- 14. **TRANSFER OF CCC-955 AND CCC-956 CONTRACTS.** This contract may be used to transfer payments that are payable under a Form CCC-955 or CCC-956. The transfer of existing contract will result in the issuance of a new contract to one or more persons identified in Part B (New Contract Holders) and such transfer is exempt from the provisions of 7 CFR Part 1463.112 relating to the minimum amount of consideration that must be paid to the original contract holder of such contract. The resulting contracts will be issued to the: (i) Existing Contract Holder, and (ii) to a New Contract Holders as a Form CCC-955 or CCC-956.
- 15. **TRANSFER OF CONTRACT DUE TO DEATH.** If the transfer of the contract identified in Item 1 is due to the death of the person identified in Item 2, CCC, upon presentation of a copy of a death certificate, will: (i) issue a Form CCC-955 or CCC-956, as applicable, to the surviving spouse without regard to any will or other document prepared by the person identified in Item 2; and (ii) issue a Form CCC-955 or CCC-956, as applicable, to the New Contract Holders identified in Part B if a person allowed under State law to distribute the assets of the person identified in Item 2 attests that there is no surviving spouse. Evidence of such authority includes documents such as: (i) a copy of a court order identifying the person to act on behalf of the estate; and (ii) a statement from the county attorney for the county in which the person identified in Item 2 resided that the person submitting this contract may act on behalf of the estate.
- 16. **TRANSFER OF CONTRACT TO FAMILY MEMBERS.** If the transfer of the contract identified in Item 1 is to a family member of the person identified in Item 2, CCC will issue a Form CCC-955 or CCC-956, as applicable, to the New Contract Holders identified in Part B. Family member means a parent; grandparent or other direct lineal ancestor; child or other direct lineal descendent; spouse; or sibling of a tobacco quota holder or tobacco producer.
- 17. **TRANSFER OF CONTRACT TO OWNER OF PERMANENT MARKETING QUOTA ASSIGNED TO EXISTING CONTRACT HOLDER'S PROPERTY.** If the transfer of the contract identified in Item 1 is to a party who had purchased a tobacco marketing quota prior to October 22, 2004 and had placed the quota on a farm with the owner's consent prior to that date, CCC will issue a Form CCC-955 or CCC-956, as applicable, to the New Contract Holder identified in Part B.

18A. Signature of Existing Contract Holder  <i>/s/ William E. James</i>	18B. Date (MM-DD-YYYY)  10/17/2005
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**PART D - CCC USE ONLY**

19. Check One:	<input checked="" type="checkbox"/> Approved	<input type="checkbox"/> Disapproved
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20A. Signature of CCC Representative  <i>/s/ Mary R. Smith</i>	20B. Date (MM-DD-YYYY)  10/17/2005
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21. Remarks  
Quota purchased by Rhonda McQueen December 1995 and assigned to William James' farm with owner's consent.