

For: Burley Tobacco State and County Offices

Burley Tobacco Alternative Reporting System (ARS)

Approved by: Deputy Administrator, Farm Programs



1 Overview

A

Background

On May 15, 2000, FSA approved a request for a waiver from the normal tobacco marketing reporting requirements found in 7 CFR Parts 723 and 1464 for 8 tobacco receiving stations. Approval was granted to use ARS as a pilot project for the 2000 burley tobacco marketing year.

A new pilot MQ-76-C has been developed for use by producers who sell tobacco during the marketing year at any of the 8 tobacco receiving stations.

14-TB will provide procedures regarding ARS.

B

Purpose

This notice:

- provides instructions for handling new ARS MQ-76-C's
- obsoletes Notice TB-980.

Note: Exhibit 2 has been corrected to properly note balance transfers between MQ-76-C's and MQ-76's.

<p>Disposal Date</p> <p>March 1, 2001</p>	<p>Distribution</p> <p>Burley Tobacco State Offices; State Offices relay to applicable County Offices</p>
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Notice TB-981

2 General Provisions

A

Receiving Station Purchases

Eight tobacco receiving stations will accept only first-sale producer tobacco beginning on November 6, 2000, and anticipate accepting tobacco through February 2001. See Exhibit 1 for a list of approved tobacco receiving stations and the USDA identification number assigned to each receiving station for the ARS pilot project.

B

MQ-76-C Format

Tobacco purchased at any approved receiving station will be identified and tracked using MQ-76-C. See Exhibit 2 for an example of MQ-76-C. MQ-76-C is formatted as follows:

- the front of MQ-76-C has the following information thermally printed (not embossed) on plastic card stock:
 - State and county code
 - FSN
 - operator name and address, which includes street, city, and State
 - bar code for electronic scanning at the tobacco receiving station

Note: The bar code includes State and county code and FSN.
 - the statement “MQ-76-C (Pilot)”
 - the reverse of MQ-76-C has spaces to indicate the following:
 - effective quota
 - 103 percent of quota.
-

C

Producer Rejections

Immediately after a receiving station has graded a lot of tobacco presented for sale, the producer may reject the sale of tobacco for any reason before the receiving station authorizes the payment. However, after the receiving station has authorized payment for the tobacco, the sale is **final** and **cannot** be rejected by the producer.

Note: A producer may request a quota poundage transfer at any time between MQ-76-C and MQ-76.

Notice TB-981

3 County Office Action

A Notifying Producers

County Offices shall take the following actions:

- review list of FSN's identified as delivering burley tobacco to an approved tobacco receiving station that was downloaded on BBS
- notify applicable farm operators, by mailing a postcard, that MQ-76-C for the farm must be picked up at that farm's administrative County Office

Notes: See Exhibit 3 for an example of a postcard.

All attempts shall be made to issue MQ-76-C's by October 27, 2000.
MQ-76-C's shall **not** be mailed under any circumstance.

- enter information on the reverse of MQ-76-C in the space "103% of Quota" as indicated by the producer
- advise each producer who picks up the new MQ-76-C of the producer rejection procedure. See subparagraph 2 C.

Note: Division of quota pounds for a producer receiving both MQ-76 and MQ-76-C is to be entered on the applicable marketing card at the producer's direction.

B Transferring Quota Pounds Between MQ-76-C's and MQ-76's

A producer may do any of the following actions to have quota pounds transferred between MQ-76-C and MQ-76. See Exhibit 2 for examples.

- Take MQ-76-C and a copy of the sale bill to the County Office in the tobacco receiving station town. Addresses and directions to the County Office will be posted in the tobacco receiving station. That County Office will issue MQ-76 with the correct poundage available to market, which may be used at an auction warehouse or with a dealer.
 - Take MQ-76-C and a copy of the sale bill to the producer's local County Office. That County Office will issue MQ-76 with the correct poundage available to market, which may be used at an auction warehouse or with a dealer.
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Notice TB-981

3 County Office Action (Continued)

B

Transferring Quota Pounds Between MQ-76-C's and MQ-76's

- Advise the receiving station operator to mail MQ-76-C to the producer's home address. Upon receiving MQ-76-C, the producer may then return MQ-76-C to their administrative County Office and receive from that office a properly notated MQ-76 that may be used at an auction warehouse.

Note: Use a **black** ballpoint pen for all notations.

C

Conditions Requiring Special Notations

Use a standard hole punch to punch a hole in the upper left corner within the top and left edges of the card. The punched hole alerts the receiving station and the marketing recorder that a notation has been made. Make special notations if any of the following conditions exist.

- **Lien on Crop by FSA.** Notations regarding FSA liens will be made by FSA representatives.
- **Tobacco Marketing Quota Lien.** Enter the notation "TMQ Lien" and the amount if the producer owes the government a tobacco marketing quota penalty for a prior crop. See Exhibit 4 for an example of MQ-76-C that shows a TMQ lien.
- **IRS Levy.**

Note: Use a **black** ballpoint pen for all notations.

4 State Office Action

A

Action

The State Office shall provide County Offices with an informational handout that is to be given to each producer who receives MQ-76-C.

Approved Tobacco Receiving Stations

Name	Location	ID Number
Burley Services, Inc.	Lexington, KY	31237
E.J. Parker, LLC	Hartsville, TN	31601
Cozart Warehouses, Inc.	Gray, TN	31612
General Tobacco Company, Inc.	Hopkinsville, KY	31160
King-Burley Warehouses, Inc.	Maysville, KY	31285
London Tobacco Warehouses, Inc.	London, KY	31243
Bale Tobacco Marketing, Inc.	Glasgow, KY	31104
Tobacco Services, Inc.	Lebanon, KY	31192

Transferring Pounds Between New Pilot MQ-76-C's and Regular MQ-76's

**A
Completing
Reverse Side for
Transfer From
MQ-76-C to
MQ-76**

The County Office in either the receiving station town or the farm's administrative county shall transfer quota pounds from MQ-76-C to MQ-76 as follows.

Note: The producer sold 2,000 pounds of tobacco under contract on November 24, 2000. A request to transfer the balance of all available pounds to MQ-76 was requested on November 28, 2000.

Circle Number	Instructions
1	Note pounds transferred, or "0" if available balance is transferred.
2	Date, write "T" (to indicate transfer), and initial.
3	Issue MQ-76 to show 6,240 pounds of quota available and write "T", initial, and date.

EFFECTIVE QUOTA	103% OF QUOTA
8000	8240
POUNDS	DATE
6240	11-24
① 0	T ^{aw} 11-28 ②

USDA-FSA

DO NOT USE this card to market tobacco that was not produced on the farm for which this card was issued. Check the card after each auction or nonauction sale to see if tobacco sold and pounds deducted are the same. Report any error to the County FSA Office. Regulations require the return of this card to the County FSA Office when tobacco marketings for the farm are completed or upon written request. FAILURE TO RETURN THIS CARD MAY RESULT IN A QUOTA REDUCTION FOR THE FARM.

PL. 430 authorizes collection of the following data.

NOTICE TO FARM OPERATOR

Farm Approved - OMB Number 0990-0058

MQ-76 (Burley) (07-09-89)

EFFECTIVE QUOTA	103% OF QUOTA
8000	③ 6240 T ^{aw} 11-28
POUNDS	DATE

USDA-FSA

DO NOT USE this card to market tobacco that was not produced on the farm for which this card was issued. Check the card after each auction or nonauction sale to see if tobacco sold and pounds deducted are the same. Report any error to the County FSA Office. Regulations require the return of this card to the County FSA Office when tobacco marketings for the farm are completed or upon written request. FAILURE TO RETURN THIS CARD MAY RESULT IN A QUOTA REDUCTION FOR THE FARM.

PL. 430 authorizes collection of the following data.

NOTICE TO FARM OPERATOR

Farm Approved - OMB Number 0990-0058

MQ-76 (Burley) (05-14-89)

Example Postcard to Notify Producer of Availability of MQ-76-C

Following is an example of wording that may be used in the postcard to notify burley tobacco producers who have been identified as receiving MQ-76-C that MQ-76-C is available to be picked up at the County Office.

Your burley tobacco “MQ-76-C Pilot”, the marketing card for you to use at a receiving station, is available to be picked up at the FSA office in the county where your tobacco farm is located. If you grow tobacco on farms in different counties, you will have marketing cards in different FSA offices.

TMQ Lien on MQ-76-C

**A
Completing
Front Side of
MQ-76-C to
Show TMQ Lien**

Complete the front of MQ-76-C as follows.

Circle Number	Instructions
1	If a hole is punched in this location and a special notation is not shown, the marketing recorder shall contact the County Office before entering sale data.
2	Lien on crop by FSA. The receiving station official shall issue check jointly to producer and FSA.
3	TMQ lien is \$480 and a previous collection of \$280 has been made. The marketing recorder shall receive a check from the receiving station official and submit to the County Office.
4	Indebted to U.S. for \$200.

The image shows the front side of a 'BURLEY TOBACCO MARKETING CARD' from the U.S. Department of Agriculture. The card contains the following information:

- 1** (Top left): U.S. Department of Agriculture BURLEY TOBACCO MARKETING CARD
- 2** (Left side): FSA LIEN
- 3** (Left side): TMQ LIEN ~~\$480.00~~ \$200.00
- 4** (Right side): US CLAIM \$200.00 ST
- STATE: 05 | COUNTY: 123 | FARM NO.: 7290641
- NAME AND ADDRESS: JIMMY R SMITH, 1224 MAIN STREET, JONESBORO AR 00
- Barcode at the bottom.
- MQ-76-C (Pilot) at the very bottom.