

For: State and County Offices

Processing IRS Mandated Backup Withholding for TTPP Payments

Approved by: Associate Administrator for Operations and Management



1 Overview

A Background

Internal Revenue Code section 3403(a) (1) (C) mandates a 28 percent backup withholding on certain payments to taxpayers identified by IRS as subject to backup withholding. Payments subject to withholding are reported on IRS Forms 1099-INT and/or 1099-OID.

FSA must withhold 28 percent of the portion of payments currently reported on IRS Form 1099-INT and/or 1099-OID when notified that a taxpayer is subject to withholding. Currently, the majority of payments affected by the IRS backup withholding are the imputed interest portion of TTPP payments made to quota holders.

The FSA Financial Services (FSAFS) Web Application has been modified to include an “Involuntary Withholdings” indicator. However, the indicator cannot be used for TTPP because **only** the imputed interest of the payment is subject to withholding.

Withholding will be made by setting the “Other Agency” flag in FSAFS, and entering the backup tax withholding in NPS.

B Purpose

This notice provides instructions for:

- processing the IRS mandated backup withholding in NPS for TTPP using the FSAFS “Other Agency” flag
- notifying County Offices that backup withholding is **required**.

Disposal Date	Distribution
October 1, 2013	State Offices; State Offices relay to County Offices

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1 Overview (Continued)

C Contacts

If there are questions about this notice, State Office shall contact the appropriate office as follows.

Issue	Contact
Software-related problems	Contact the National Help Desk at 800-255-2434 or 819-926-1552. Note: Select option 3 for hardware and application software.
Policies or procedures on making IRS mandated backup withholdings in NPS	Contact either of the following: <ul style="list-style-type: none">• Jackie Pickens by either of the following:<ul style="list-style-type: none">• e-mail to jackie.pickens@wdc.usda.gov• telephone at 202-772-6027• Nancy Chapman by either of the following:<ul style="list-style-type: none">• e-mail to nancy.chapman@kcc.usda.gov• telephone at 816-926-6971.
Policy or procedures for IRS backup withholding notifications	Contact either of the following: <ul style="list-style-type: none">• Rhonda Anthony for TTPP by either of the following:<ul style="list-style-type: none">• e-mail to rhonda.anthony@kcc.usda.gov• telephone at 816-926-6251• Debbie Deane for other programs by either of the following:<ul style="list-style-type: none">• e-mail to debra.deane@kcc.usda.gov• telephone at 816-926-1613.

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2 Notification From Kansas City to Begin IRS Backup Withholding for TTPP

A State and County Office Notification

Kansas City will send notification to the County Offices by mail when action must be taken for the IRS mandated backup withholding. The producer's name and TIN will be listed on the notification. After notification has been received, the County Office **must** set the "Other Agency" flag for the producer in FSAFS. After the flag has been set, a copy of the notification, indicating the "Other Agency" flag has been set, **must** be FAXed to 816-823-1871. These actions **must** occur **immediately on receipt of notification**. See subparagraph C for an example of the notification letter.

Kansas City will also send an encrypted file through e-mail to the State Offices notifying them of the County Offices within their State with TTPP contracts applicable to IRS mandated backup withholding. State Offices will need to work with the County Offices to ensure that the "Other Agency" flag has been set for each producer.

Note: Copies of the notification letter will **not** be distributed to producers.

B State and County Office Notification of Backup Withholding Amount

Within 2 to 3 workdays after the payments request has been sent to NPS, Kansas City will send notification to the State Offices by encrypted e-mail identifying the:

- TTPP contracts
- associated TIN
- the amount of backup withholding based on the imputed interest of the TTPP payments.

After this notification is received, the TTPP payments can be processed according to paragraph 4.

Note: The encrypted e-mail will have the subject line, "TTPP Backup Withholding Payment".

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2 Notification From Kansas City to Begin IRS Backup Withholding for TTPP (Continued)

C Example of Notification Letter

The following is an example of the notification letter that will be mailed to County Offices.



United States
Department of
Agriculture

Farm and Foreign
Agricultural Service

Farm Service
Agency

Office of Budget and
Finance

Financial
Management
Services

Financial Services
Center
PO Box 419205
Kansas City,
Missouri
64141-6205

TO: FSA Office

FROM: Payment Management Office,
Chief, Payment Reporting and Financing Group

SUBJECT: IRS Backup Withholding Notification

The Internal Revenue Service (IRS) has identified the producer named below is subject to backup withholding under Internal Revenue Code section 3406(a)(1)(C).

Please begin backup withholding at the rate of 28% on all applicable payments made to this producer.

Producer's name:
Producer's ID number:

These actions must be completed immediately after receiving this notice:

1. Set the Other Agency Offset Flag in Financial Services for this producer.
2. Fax (816-823-1871) a copy of this letter indicating the flag has been set and the action taken.

If you have any questions or need additional assistance, please contact Debbie Deane at 816-926-5988 or debra.deane@kcc.usda.gov or Rhonda Anthony for TTPP (Tobacco Transition Payment Program) related assistance at 816-926-6251 or rhonda.anthony@kcc.usda.gov.



USDA is an Equal Opportunity Provider and Employer.

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3 Accessing FSAFS to Set Flag

A Logging Into Financial Services

County Office employees:

- shall log into FSAFS to set the “Other Agency” flag for TTPP participants when notified about an IRS backup withholding
- **must** have a valid eAuthentication user ID and password or LincPass to log into the FSAFS web site at <http://fsaintranet.sc.egov.usda.gov/fsa/>.

Employees may log into the FSAFS web site from the FSA Intranet Home Page according to the following:

- under “Resources”, CLICK “**FSA Applications**”
- under “Financial Services”, CLICK “**Financial Applications**”.

The FSA Intranet Financial Applications Page will be displayed. CLICK “**FSA Financial Services**” and the USDA eAuthentication Warning Screen will be displayed. CLICK “**I Agree**” and the eAuthentication Login Screen will be displayed.

On the eAuthentication Login Screen, do either of the following:

- enter user ID and password, and CLICK “**Login**”
- CLICK “**Login with my LincPass**” and follow the prompts.

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3 Accessing FSAFS to Set Flag (Continued)

B Setting “Other Agency Debt” Flag

After selecting the State/County “Worklist” and “Customer”, according to 63-FI, under “FSAFS Menu”, “Customer Profile”, CLICK “Other Debt Offsets”.

The screenshot displays the FSAFS (Financial Services Agency) web application interface. At the top, the USDA logo and "United States Department of Agriculture Farm Service Agency" are visible on the left, and "Financial Services" is on the right. A navigation bar includes links for "FSAFS Home", "About FSAFS", "Help", "Contact Us", "Exit FSAFS", and "Logout of eAuth".

The main content area is divided into two sections. On the left is the "FSAFS Menu" with a "Welcome Jane Doe" message. The menu items are:

- Pending Changes
- Back to Main Menu
- Assignments**
 - Assignor View
 - Assignee View
 - Add Assignment
- Joint payments**
 - View Joint Payment
 - Add Joint Payment
- Direct Deposit**
 - View Direct Deposit
 - Add Direct Deposit
 - Direct Deposit Waiver
- Customer Profile**
 - Bankruptcy
 - Other Debt Offsets (indicated by a red arrow)
 - Voluntary Withholdings
 - Involuntary Withholdings
- Go To**
 - NPS
 - NRRS
 - eFMS
 - OLP
 - FI
 - E-Forms

The main content area on the right is titled "Financial Services" and includes a "Help" icon. It displays the following information:

Work List: TEXAS (48) - REEVES (389)
Customer: Deer Park - XXXXX 1111 - S

Below this information, a message reads: "Welcome to Financial Services. Use the left navigation to begin."

At the bottom of the page, the text "FSAFS-WEB01, Last Modified on 10/31/2012" is on the left, and a "Back To Top" link is on the right.

3 Accessing FSAFS to Set Flag (Continued)

B Setting “Other Agency Debt” Flag (Continued)

This is an example of the Other Debt Offsets Screen.

Click either of the following:

- “Add”, the Add Other Debt Offsets Screen will be displayed
- “Exit”, the FSAFS Home Page will be displayed.

The screenshot displays the FSAFS interface. On the left is a vertical menu titled 'FSAFS Menu' with sections: 'Welcome Jane Doe', 'Pending Changes', 'Back to Main Menu', 'Assignments' (with a red arrow pointing to 'Add'), 'Joint payments', 'Direct Deposit', 'Customer Profile', and 'Go To'. The main area is titled 'Other Debt Offsets' and shows 'Work List: TEXAS (48) - REEVES (389)' and 'Customer: Deer Park'. A message reads 'This customer has no "Other Agency" debt.' Below this are 'Add' and 'Exit' buttons. The footer contains 'FSAFS-WEB78' and a 'Back To Top' link.

Note: If the customer is a multi-county producer, the administrative office shall be the only office to modify this flag setting. the administrative office shall notify all counties where the customer conducts business about this modification.

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3 Accessing FSAFS to Set Flag (Continued)

B Setting “Other Agency Debt” Flag (Continued)

The following is an example of the Add Other Debt Offsets Screen. Do the following:

- from the “Other Agency debt type” drop-down list, SELECT “**Other Debt**”
- enter “Begin Date” in the “mm/dd/yyyy” format
- the “End Date” is not required; however, if there is a written agreement when the debt will be paid, “End Date” may be entered in the “mm/dd/yyyy” format
- in the “Remarks” box, enter user’s name completing the entries and ENTER “**TTPP Mandatory Backup Withholding**”.

Note: Ensure that PII information is **not** entered.

FSAFS Menu

Welcome Jane Doe

▸ Pending Changes
▸ Back to Main Menu

Assignments

▸ Assignor View
▸ Assignee View
▸ Add Assignment

Joint payments

▸ View Joint Payment
▸ Add Joint Payment

Direct Deposit

▸ View Direct Deposit
▸ Add Direct Deposit
▸ Direct Deposit Waiver

Customer Profile

▸ Bankruptcy
▸ Other Debt Offsets
▸ Voluntary Withholdings
▸ Involuntary Withholdings

Add Other Debt Offsets Help

Work List: TEXAS (48) - REEVES (389)
Customer: Deer Park - xxxxx1111 S

*Other Agency debt type:
Select One...
FLP Delinquent Debt
FSFL Delinquent Debt
IRS Tax Levy
Other Debt

*Begin Date (mm/dd/yyyy):
End Date (mm/dd/yyyy):

*Remarks:

Required to create MIDAS offset only (optional):

Amount (\$):
Agency Name:
Agency Address:
Address Information Line:
Delivery Address Line:
City/State/Zip: City State Zip

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3 Accessing FSAFS to Set Flag (Continued)

B Setting “Other Agency Debt” Flag (Continued)

Click 1 of the following:

- “**Continue**”, to pre-finalize adding the other debt offsets type
- “**Back**”, the Add Other Debts Offsets Screen will be displayed
- “**Exit**”, the FSAFS Home Page will be displayed.

FSAFS Menu		Add Other Debt Offsets ? Help	
Welcome Jane Doe		Work List: TEXAS (48) - REEVES (389)	
‣ Pending Changes		Customer: Deer Park - xxxxx 1111 S	
‣ Back to Main Menu		*Other Agency debt type: <input type="text" value="Other Debt"/>	
Assignments		*Begin Date (mm/dd/yyyy): <input type="text" value="11/14/2012"/>	
‣ Assignor View		End Date (mm/dd/yyyy): <input type="text"/>	
‣ Assignee View		*Remarks: <input type="text" value="Jane Doe, Reeves, TX
TTPP Mandatory Backup Withholding"/>	
‣ Add Assignment		Required to create MIDAS offset only (optional):	
Joint payments		Amount (\$): <input type="text"/>	
‣ View Joint Payment		Agency Name: <input type="text"/>	
‣ Add Joint Payment		Agency Address:	
Direct Deposit		Address Information Line: <input type="text"/>	
‣ View Direct Deposit		Delivery Address Line: <input type="text"/>	
‣ Add Direct Deposit		City/State/Zip: City <input type="text"/> State <input type="text"/> Zip <input type="text"/>	
‣ Direct Deposit Waiver			
Customer Profile			
‣ Bankruptcy			
‣ Other Debt Offsets			
‣ Voluntary Withholdings			
‣ Involuntary Withholdings			
Go To			
‣ NPS		 <input type="button" value="Continue"/> <input type="button" value="Back"/> <input type="button" value="Exit"/>	
‣ NRRS			
‣ eFMS			
‣ OLP			
‣ FI			
‣ E-Forms			
FSAFS-WEB79		Back To Top	

3 Accessing FSAFS to Set Flag (Continued)

B Setting “Other Agency Debt” Flag (Continued)

From the Add Other Debt Offsets Screen, review information entered in the fields.

Click 1 of the following:

- “**Submit**”, to add the other debt offsets
- “**Back**”, the Add Other Debts Offsets Screen will be displayed
- “**Exit**”, the FSAFS Home Page will be displayed.

FSAFS Menu	Add Other Debt Offsets ? Help
Welcome Jane Doe ▶ Pending Changes ▶ Back to Main Menu	Work List: TEXAS (48) - REEVES (389) Customer: Deer Park - xxxxx 1111 S
Assignments	Other Agency debt type: Other Debt Begin Date (mm/dd/yyyy): 11/14/2012 End Date (mm/dd/yyyy): Remarks: Jane Doe, Reeves, TX Amount (\$): TTPP Mandatory Backup Withholding
Joint payments	Agency Name: Address Information Line: Delivery Address Line: City/State/Zip:
Direct Deposit	 Submit Back Exit
Customer Profile	
▶ Bankruptcy ▶ Other Debt Offsets ▶ Voluntary Withholdings ▶ Involuntary Withholdings	
Go To	
▶ NPS ▶ NRRS ▶ eFMS ▶ OLP ▶ FI ▶ E-Forms	
FSAFS-WEB80	Back To Top

Note: Adding other debt offsets in FSA-FS does **not** require secondary approval.

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3 Accessing FSAFS to Set Flag (Continued)

B Setting “Other Agency Debt” Flag (Continued)

An informational confirmation message will be displayed, stating that the other agency debt with ID-XXXXX was added.

The screenshot displays the FSAFS Financial Services interface. The top navigation bar includes the USDA logo, "United States Department of Agriculture Farm Service Agency", and "Financial Services". A secondary navigation bar contains links: "FSAFS Home", "About FSAFS", "Help", "Contact Us", "Exit FSAFS", and "Logout of eAuth".

The main content area is divided into two sections:

- FSAFS Menu:** A vertical sidebar menu with sections: "Welcome Jane Doe" (with sub-links for "Pending Changes" and "Back to Main Menu"), "Assignments" (with sub-links for "Assignor View", "Assignee View", and "Add Assignment"), "Joint payments" (with sub-links for "View Joint Payment" and "Add Joint Payment"), "Direct Deposit" (with sub-links for "View Direct Deposit", "Add Direct Deposit", and "Direct Deposit Waiver"), and "Customer Profile" (with sub-link for "Bankruptcy").
- Other Debt Offsets:** A main content area with a "Help" icon. It displays:
 - Work List: TEXAS (48) - REEVES (389)
 - Customer: Deer Park
 - xxxxx1111 S
 - An informational message: "Informational: 'Other Agency' Debt with ID=54001 was added." (highlighted in blue with an information icon and a red arrow pointing to it from the menu).
 - A table with columns: ID, Other Agency Debt Type, Last Changed Date, and State/County POC.
 - Buttons: "Add" and "Exit".

ID	Other Agency Debt Type	Last Changed Date	State/County POC
54001	Other Debt	11/15/2012	TEXAS (48) - REEVES (389)

Click either of the following:

- “**Add**”, to allow the user to enter additional other debt offsets
- “**Exit**”, the FSAFS Home Page will be displayed.

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4 Entering Offset Information in NPS

A Other Agency Offset on Manual Handling Worklist

When an “Other Agency Offset” payment is passed to NPS, it will be displayed on the Manual Handling Worklist. See 1-FI, paragraph 138 for Manual Handling Worklist procedures.

After the applicable payment is selected from the Manual Handling Worklist, CLICK “Other Agency Offset” link.

The screenshot shows the National Payment Service (NPS) web interface. At the top, the USDA logo and "Farm Service Agency" are on the left, and "National Payment Service" is on the right. Below the header is a navigation bar with links: "NPS Home", "About NPS", "Help", "Contact Us", "Exit NPS", and "Logout of eAuth".

The main content area is titled "Manual Handling WorkList" and includes a "Printer Friendly" and "Help" icon. Below the title, it displays search criteria: "Your Request: State / County = TX(48) - Reeves (389) Issue Date = From 12/07/2010 to 12/07/2010, Payment Status = Other Agency Offset, Program Alpha Code = TTPP05TOBBQUO". A link "Click [here](#) to change search parameters." is provided.

The results section shows "One item found 1 [[Refresh](#)]" and lists one item: "1. Tom Dough Tax ID 111111111 S". Below this, details are provided: "Program: TTPP05TOBBQUO Reference: CT - 210451001254 Amount (\$): 50.00", "Payment ID: 31723037 Issue Date: 12/07/2010 PPI Start Date: 12/17/2010", and "State / County: TX(48) - Reeves (389)".

A red arrow points to the "Other Agency Offset" link, which is highlighted in blue. To the right of this link is another link: "Reset Payment Processing".

Below the item list, it says "One item found 1 [[Refresh](#)]" and a "Back" button is visible.

The footer contains "NPS-WEB009" on the left and "Back To Top" on the right.

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4 Entering Offset Information in NPS (Continued)

B Entering Payee Information

When the other Agency offset is submitted in NPS for the IRS mandated backup withholding, the County Office will use their County Office name and address for the check to be mailed to their office for deposit.

The following is an example of the Payment Processing - Other Agency Offset Screen.

NPS Menu
Welcome John Doe
Disburse Replacement

Payments
Payments Search
Manual Handling Worklist
Manual Handling Search
Certification Worklist
Signing Worklist
Reset Held Payments Worklist

Go To
Financial Services
NRRS

Payment Processing - Other Agency Offset

Tom Dough Tax ID: 111111111 S
Program: TTPP05TOBBPRO Reference: CT - 210451001254, PY - 2006
Payment ID: 31723037 Issue Date: 12/07/2010 PPI Start Date: 12/17/2010
State / County: TX(48) - Reeves (389)
Last Updated by: MOKANSASC20T38 on 12/07/2010
Original Payment Amount (\$): 50.00
Remaining Payment Amount (\$): 50.00

Add Other Agency Offset To Payment:

All required fields are denoted by an asterisk (*).

* Amount To Offset (\$):

* Other Agency Payee Name:

* Address 1:

Address 2:

* City:

* State:

* Zip:

Do not Apply Payment to Other Agency Offset

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4 Entering Offset Information in NPS (Continued)

B Entering Payee Information (Continued)

The County Office shall enter the following **required** information on the Payment Processing - Other Agency Offset Screen.

- **Amount To Offset (\$)** - (28 percent of the imputed interest portion of the TTPP payment.

Note: This amount will be sent by an encrypted e-mail from Kansas City to State Offices. State Offices will notify the County Offices.

- **Other Agency Payee Name** - name of the FSA County Office submitting payment.
- **Address 1** - address of the county.

Note: To distinguish that this is an IRS backup withholding, after the county address, this line should contain “**ref: IRS BWH**”.

- **Address 2** - additional address line, if applicable.
- **City** - city of county.
- **State** - State of county.
- **Zip** - ZIP Code of county.

Click either of the following:

- “**Add**”, to have the other Agency offset information entered applied against the payment request
- “**Clear**”, to remove the other Agency offset information from fields.

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4 Entering Offset Information in NPS (Continued)

B Entering Payee Information (Continued)

The following is an example of the Payment Processing - Other Agency Offset Screen that will be displayed with the offset being applied against the payment request.

NPS Menu
Welcome: John Doe
Disburse Replacement
Payments
Payments Search
Manual Handling Worklist
Manual Handling Search
Certification Worklist
Signing Worklist
Reset Hold Payments Worklist
Go To
Financial Services
NRRS

Payment Processing - Other Agency Offset Help

Tom Dough Tax ID: 111111111 S
Program:TTFFPSTOSSQUCReference: CT - 210451001254
Payment ID: 31723037 Issue Date: 12/07/2010 PPI Start Date: 12/17/2010
State / County: TX(48) - Reeves (389)
Last Updated by: NPS jobScheduler on 10/28/2010
Original Payment Amount (\$): 50.00
Remaining Payment Amount (\$): 20.00

1. Agency Name: Dyer County FSA	Offset: \$ 14.00	Modify	Delete
70th Terr /ref: IRS BVH			
340 Bldg			
Alder, MT 59710			

Add Other Agency Offset To Payment:

All required fields are denoted by an asterisk (*).

* Amount To Offset (\$):
* Other Agency Payee Name:
* Address 1:
Address 2:
* City:
* State:
* Zip:

 Do not Apply Payment to Other Agency Offset

Click 1 of the following:

- **“Modify”**, to edit any of the other Agency offset information that was entered
- **“Delete”**, to remove the other Agency offset information
- **“Save”**, to apply the other Agency offset against the payment
- **“Exit”**, to **not** apply the other Agency offset against the payment.

After the Treasury check is received in the County Office, the County Office will then record the receipt in NRRS. See paragraph 5.

5 Recording TTPP Participant’s Backup Tax Withholdings in NRRS

A Login to NRRS

CLICK “FSA Applications” on the FSA Intranet Home Page to access NRRS. Under “Financial Services”, CLICK, “Financial Applications”. The FSA Intranet Financial Applications Home Page will be displayed. CLICK “National Receipts and Receivables System”. See 64-FI, paragraph 17 for instructions to logging into NRRS.

B Recording the Backup Withholding Receipt

Record a new receipt in NRRS according to 64-FI, paragraph 33.

Complete the following on the Create New Receipt Screen:

- in “Remittance Amount” box, enter amount of check
- in “Remitter Name” box, enter producer’s name in which amount is being withheld
- from “Remittance Type” drop-down list, SELECT “Check”
- in “Check/Item Number” box, enter Treasury check number
- from “Collection Type” drop-down list, SELECT “Direct Sales”
- in “Effective Date: (mm/dd/yyyy)” box, enter current date.

CLICK “Submit”.

The Enter Direct Sales Program Information Screen will be displayed.

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5 Recording TTPP Participant's Backup Tax Withholdings in NRRS (Continued)

B Recording the Backup Withholding Receipt (Continued)

To record the Direct Sales Program information:

- from the "Program Code" drop-down list, SELECT "**FEDTAXREQ**"
- from the "Select State/County" drop-down list, select the applicable State and county
- CLICK "**Submit**".

Prepare and verify CCC-257 according to 64-FI, paragraph 51.

 United States Department of Agriculture Farm Service Agency	National Receipts & Receivables System
Home About USDA About NRRS Help Contact Us Exit NRRS Logout of eAuth	
Enter Direct Sales Program Information	
Program Code:	<input type="text" value="FEDTAXREQ"/> <input type="button" value="v"/> <input type="button" value="?"/>
Select State / County:	<input type="text" value="48 TX - 389 Reeves"/> <input type="button" value="v"/> <input type="button" value="?"/>
<input type="button" value="Submit"/> <input type="button" value="Back"/> <input type="button" value="Reset"/> <input type="button" value="Cancel"/>	
NRRS-Web-5.1.2	
Home USDA Internet USDA Intranet FSA Internet FSA Intranet Site Map FOIA Accessibility Statement Privacy Non-Discrimination Information Quality Policies and Links FirstGov White House	

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6 Completing CCC-44 for TTPP Participant’s

A Sending CCC-44 to Kansas City

County Offices **must** account for all IRS mandated backup withholdings. These withholdings **must** be reported to Kansas City on CCC-44 as soon as the backup withholdings are deposited. Prepare and FAX CCC-44 to Kansas City according to subparagraph B.

B Preparing CCC-44’s

Prepare CCC-44 according to this table.

Item	Instructions
1	Enter State name.
2	Enter County Office name.
3	Enter County Office telephone number.
4A	Enter payee’s name.
4B	Enter payee’s address.
4C	Enter payee’s TIN.
4D	Check (✓) the box for the applicable TIN type.
5A	Enter the program/reference number. Example: “TTPP Contract SScccXXXXXXXX”.
5B	Enter program year.
5C	Enter original payment amount.
5D	Enter dollar amount withheld.
5E	Enter total dollar amount withheld (total of amounts in column D).
6A	Enter schedule number (schedule number of deposit for withholdings).
6B	Enter schedule date (date of deposit).
6C	Enter signature of preparer (County Office preparer).
6D	Enter date signed by preparer.
6E	Enter signature of second party verifier (County Office employee who verified CCC-44 information).
6F	Enter date signed by verifier.

County Offices shall FAX CCC-44 to Kansas City at 816-823-1871 with a cover sheet that states, “**ATTENTION: Backup Withholding**”.

County Offices shall maintain CCC-44 in the County Office “FM” files. These records shall be retained for a period of 6 years, 3 months.

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6 Completing CCC-44 for TTPP Participant's (Continued)

C Example of CCC-44

The following is an example of CCC-44. County Office shall complete for every TTPP participant that has IRS mandated backup withholdings withheld from program payments.

This form is available electronically.

CCC-44
(01-05-11)

U.S. DEPARTMENT OF AGRICULTURE
Commodity Credit Corporation

BACKUP WITHHOLDINGS OF COMMODITY CREDIT CORPORATION PAYMENTS

PART A – GENERAL INFORMATION

1. STATE NAME	2. Name of County Office	3. County Office Telephone Number (Including Area Code)
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PART B – PAYEE INFORMATION

4A. Payee's Name	4B. Payee's Address (Including Zip Code)
4C. Payee's TIN	4D. TIN Type (Check one below): SSN <input type="checkbox"/> EIN <input type="checkbox"/> IRS <input type="checkbox"/>

PART C – WITHHOLDING PAYMENT INFORMATION

5A. Program/Reference Number	5B. Program Year	5C. Original Payment Amount \$	5D. Dollar Amount Withheld \$
5E. Total Dollar Amount Withheld:			

PART D – CERTIFICATION OF WITHHOLDINGS

6A. Schedule Number	6B. Schedule Date (MM-DD-YYYY)
6C. County Office Employee Preparer's Signature	6D. Date (MM-DD-YYYY)
6E. Second Party Verification Signature	6F. Date (MM-DD-YYYY)

COUNTY OFFICE USE ONLY

County Office Instructions:

- Fax completed form to Kansas City at (816) 823-1871 with cover sheet: **ATTENTION: Backup Withholding.**
- Maintain form in FM records.

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To file a complaint of discrimination, write to USDA, Assistant Secretary for Civil Rights, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, S.W., Stop 9410, Washington, DC 20250-9410, or call toll-free at (866) 632-9992 (English) or (800) 877-8339 (TDD) or (866) 377-8642 (English Federal-relay) or (800) 845-6136 (Spanish Federal-relay). USDA is an equal opportunity provider and employer.

Notice FI-3133

7 Discontinuing Backup Withholding

A Notification of Discontinuing Backup Withholding

Notification to discontinue withholdings will be sent to the County Office by encrypted e-mail when Kansas City receives notification from IRS that the producer is no longer subject to backup withholdings. The e-mail will be followed up with a copy mailed to the County Office.

If a producer receives notification from the IRS that they are no longer subject to backup withholding, a copy of the notification **must** be FAXed to Kansas City at 816-823-1871 for verification. After Kansas City has verified the notification, concurring with IRS regulations, they will send the County Office notification to discontinue backup withholdings.

The County Office shall log into Financial Services and uncheck the “Other Agency Debt” box and SELECT “**Modify Profile**”. This will remove the “Other Agency” flag from the producer’s profile.

After the flag has been removed, a copy of this notification indicating the “Other Agency” flag has been removed shall be FAXed to 816-823-1871. County Offices shall complete these actions **immediately on receipt of notification**.

Notice FI-3133

7 Discontinuing Backup Withholding (Continued)

B Example of Discontinuing Backup Withholding Notification Letter

The following is an example of the notification that will be sent to the County Office.



United States
Department of
Agriculture

Farm and Foreign
Agricultural Service

Farm Service
Agency

Office of Budget and
Finance

Financial
Management
Services

Financial Services
Center
PO Box 419205
Kansas City,
Missouri
64141-6205

TO: FSA Office

FROM: Payment Management Office,
Chief, Payment Reporting and Financing Group

SUBJECT: IRS Backup Withholding Notification

The producer named below is no longer subject to backup withholding under section 3406(a) (1) (C) of the Internal Revenue Code.

This is your notice to discontinue backup withholding on the payments that you make to this producer.

Producer's name:
Producer's ID number:

You are requested to take the following actions within 2 business days of receipt of this notice:

1. Remove the Other Agency Offset Flag in Financial Services for this producer.
2. Fax (816-823-1871) a copy of this letter indicating the flag has been removed.

If you have any questions or need additional assistance, please contact Debbie Deane at 816-926-5988 or debra.deane@kcc.usda.gov.



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