

For: State and County Offices

**Average AGI Reconciliation Reports for 2011**

Approved by: Acting Deputy Administrator, Farm Programs



**1 Overview**

**A Background**

AGI reconciliation reports for 2011 are available for each State on DAFP’s web site at [http://fsaintranet.sc.egov.usda.gov/dafp/agi\\_reports.htm](http://fsaintranet.sc.egov.usda.gov/dafp/agi_reports.htm). The latest average AGI reconciliation reports indicate that a significant number of individuals and legal entities have **not** filed a written consent to disclosure of tax information for 2011. Participants in programs subject to average AGI limitations **must** timely complete a written consent to disclosure that is now included as part of CCC-931. After CCC-931 is completed for 2011, CCC-931 **must** be submitted to the IRS to maintain eligibility for 2011 program benefits.

The average AGI reconciliation reports also include individuals and legal entities that previously filed a consent form with IRS for 2011, but the consent form was rejected by IRS. IRS included a letter with rejections that explained the reasons why the consent form could **not** be accepted as filed.

**B Purpose**

This notice provides information and guidance to State and County Offices on the following:

- timely reviewing and using the 2011 average AGI reconciliation reports available on DAFP’s web site
- actions to be taken by the State and County Offices to timely obtain a completed CCC-931 from participants identified on the 2011 average AGI reconciliation reports
- submission of completed CCC-931’s obtained for 2011 to IRS.

<b>Disposal Date</b>	<b>Distribution</b>
August 1, 2012 1-19-12	State Offices; State Offices relay to County Offices

## Notice PL-231

### 2 Reviewing and Using the Average AGI Reconciliation Reports

#### A Accessing and Printing the Average AGI Reconciliation Reports

The 2011 average AGI reconciliation report for each State is available at [http://fsaintranet.sc.egov.usda.gov/dafp/agi\\_reports.htm](http://fsaintranet.sc.egov.usda.gov/dafp/agi_reports.htm). County Offices shall print the portion of the report showing producers from their recording county.

#### B Report Entries

Each entry on a 2011 average AGI reconciliation report **represents** that for the individual or legal entity:

- at least one AGI compliance value for 2011 is set to “Compliant” in the subsidiary file
- no data was returned from IRS in the average AGI verification process.

#### C Verification of Report Entries

For each entry on the 2011 average AGI reconciliation report, County Offices must verify the following for the individual or legal entity:

- a valid 2011 AGI certification is on file in the County Office
- AGI values set in the subsidiary file correspond to the producer’s certification on file
- 2011 FSA or NRCS program payments or benefits subject to the average AGI limitations were received directly or indirectly.

#### D Using 2011 Average AGI Reconciliation Reports

County Offices shall obtain CCC-931’s for 2011 from producers included on the report when they visit the County Office, especially for 2012 DCP/ACRE enrollment.

**Note:** Producers **must** submit **separate** CCC-931’s for 2011 and 2012. **Only 1 program year** may be selected on CCC-931.

On the 2011 average AGI reconciliation reports, the column titled, “2011 CCC-931 Received”, has been added as shown on the following example.

County Offices shall electronically record receipt of all 2011 CCC-931’s from producers on the average AGI reconciliation report in the column titled, “2011 CCC-931 Received”.

By recording receipt of 2011 CCC-931’s, County Offices will be able to quickly determine whether a producer appearing on future reconciliation reports has previously completed and submitted 2011 CCC-931 to the County Office.

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### 2 Reviewing and Using the Average AGI Reconciliation Reports (Continued)

#### D Using 2011 Average AGI Reconciliation Reports (Continued)

2011 AGI Reconciliation Report (updated December 2011)					
Eligibility Recording State	Eligibility Recording County	Producer Name	Tax ID Type	Producer Type	2011 CCC-931 Received
Washington	Adams	FARMER'S REVOCABLE TRUST	S	B	
Washington	Adams	PRODUCER 1	S	I	✓
Washington	Adams	PRODUCER 2	S	I	
Washington	Adams	PRODUCER 3	S	I	
Washington	Adams	PRODUCER 4	S	I	✓
Washington	Adams	RANCH INC	E	B	

#### E Processing and Submitting 2011 CCC-931's to IRS

County Offices shall:

- verify that certifications on 2011 CCC-931's are consistent with any previous certifications on file for 2011
- submit 2011 CCC-931's to IRS according to 4-PL, subparagraph 200 F
- retain a copy of the producer's 2011 CCC-931 in the County Office.

### 3 Required Actions

#### A State Office Action

State Offices shall ensure that all County Offices follow the contents of this notice.

#### B County Office Actions

County Offices shall immediately:

- access the reports at [http://fsaintranet.sc.egov.usda.gov/dafp/agi\\_reports.htm](http://fsaintranet.sc.egov.usda.gov/dafp/agi_reports.htm)
- print the 2011 list of identified participants for the respective County Office
- obtain a completed CCC-931 for 2011 from these identified participants at the same time they visit the County Office for 2012 DCP enrollment
- record receipt of CCC-931's obtained from participants for 2011 in the reconciliation report column titled, "2011 CCC-931 Received"
- process the accepted CCC-931's for 2011 according to current procedure in 4-PL, Part 6.