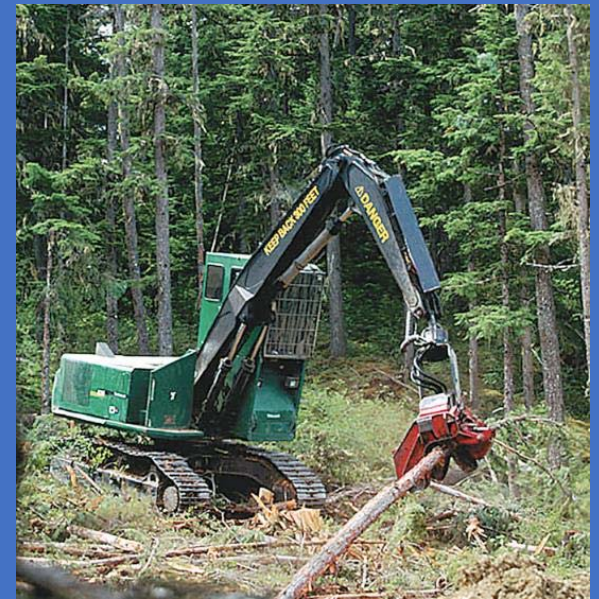


# Pandemic Assistance for Timber Harvesters and Haulers Program (PATHH)



# Agenda and Presenters

- 1. Welcome: Cody Desautel, ITC**
- 2. Invocation: Don Motanic, ITC**
- 3. Presentation:**
  - **Julie Tucker**, USDA Forest Service
  - **Jody Kenworthy**, USDA Farm Service Agency
- 4. Question and Answer Time**

## Others supporting the webinar today:

- Laura Alvidrez, ITC
- Reed Robinson, USDA Forest Service Office of Tribal Relations
- Sherri Wormstead, USDA Forest Service



# USDA Leadership



**“Like many facets of the agriculture industry, the logging industry has experienced its share of financial hardships throughout the pandemic,” said FSA Administrator Zach Ducheneaux.**

**“We’re happy to work with the U.S. Forest Service to develop this new program to provide critically needed support.”**

# USDA Leadership



“We’ve heard from loggers and truckers whose livelihoods were significantly impacted this past year by the COVID-19 pandemic, and we are pleased that USDA can help alleviate some of the financial burden,” said former Forest Service Chief Vicki Christiansen.

“I encourage those logging and log-hauling businesses hardest hit by the pandemic to learn more about the assistance offered through this new program.”



# Partner Recognition



**Farm Service Agency and U.S. Forest Service are grateful for Intertribal Timber Council's contributions to develop a program that is responsive to the needs of tribal businesses.**

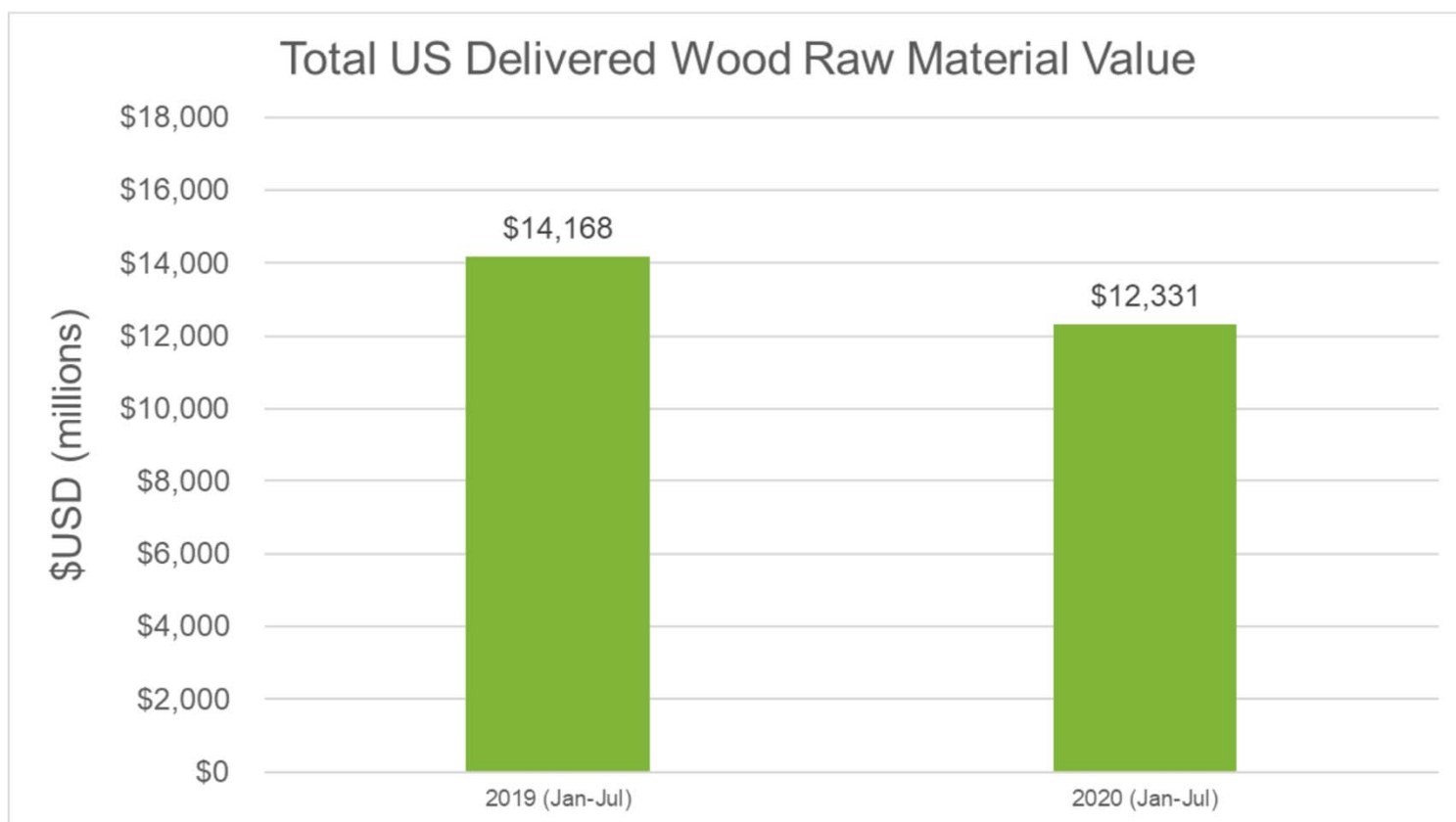
# Authorization

The Secretary of Agriculture may use not more than **\$200,000,000** to provide relief to timber harvesting and timber hauling businesses that have, as a result of the COVID-19 pandemic, **experienced a loss of not less than 10 percent in gross revenue during the period beginning on January 1, 2020, and ending on December 1, 2020**, as compared to the gross revenue of that timber harvesting or hauling business during the same period in 2019.



# Impact to Delivered Wood Raw Material Value

A decrease in wood raw material consumption and delivered prices resulted in a 13.0% drop in total US delivered value from January to July 2020 compared to the same period in the prior year.



# Impact to Delivered Wood Raw Material



Reductions during pandemic:

\$1.83 Billion (-13.0%)

21.4 Million Tons (-6.7%)



# Definitions for PATHH



# Definitions for PATHH

For PATHH, the following definitions apply:

- ***Gross Revenue*** - means the business's gross receipts
- ***Gross Receipts*** - are the total amounts the timber harvesting business or timber hauling business received from timber harvesting and timber hauling activities, without subtracting any costs or expenses. Do not include sale of physical assets, such as machinery or equipment, when calculating gross revenue.



# Definitions for PATHH

- ***Principal business code*** – is a six-digit number that classifies the main type of product a business sells or service offered.
- **NAICS** – is the 2017 North American Industry Classification System. It is the standard used by Federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing, and publishing statistical data related to the U.S. business economy.

# Definitions for PATHH

- ***Timber*** – are trees or logs harvested from forest land. It includes trees or logs that have been minimally processed onsite in the forest before transportation from the forest land.





# Definitions for PATHH

- ***Timber harvesting business*** – a business, also known as a logging business, with its gross revenue derived from one or more of the following:
  - *Cutting timber;*
  - *Cutting and transporting timber; or*
  - *Producing wood chips on forest land*



**NOTE:** The business must be classified under *NAICS Code 113310* for tax purposes.

# Definitions for PATHH

- ***Timber hauling business*** – means a business, also known as a log hauling business, with its gross revenue derived from transporting products harvested from forest land with vehicles registered as highway motor vehicles used in the transportation of timber.

***NOTE:*** The business must be classified under ***NAICS Code 484220 or 484230*** for tax purposes and have filed ***IRS Form 2290 for logging vehicles for 2019 and 2020.***



# Eligible Applicants

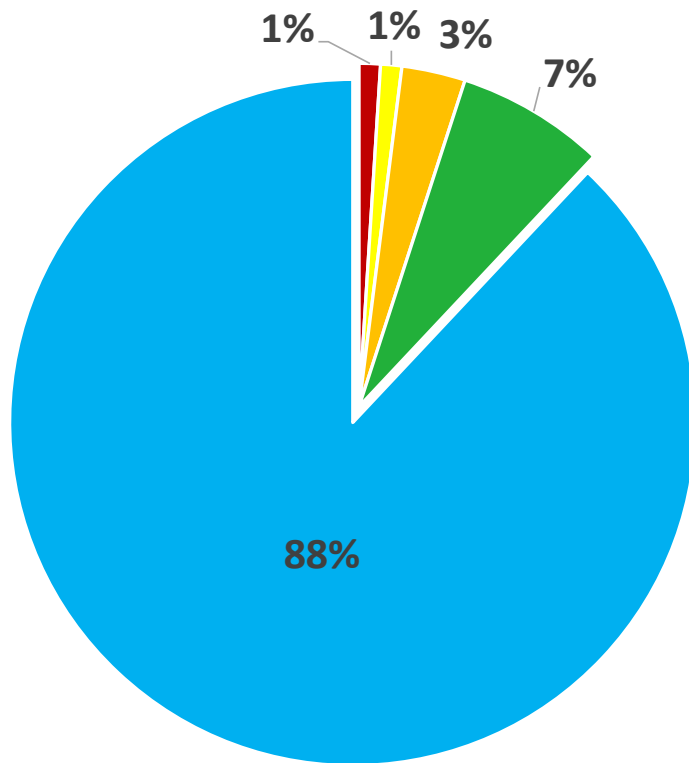




United States  
Department of  
Agriculture

## Distribution of logging and log hauling establishments

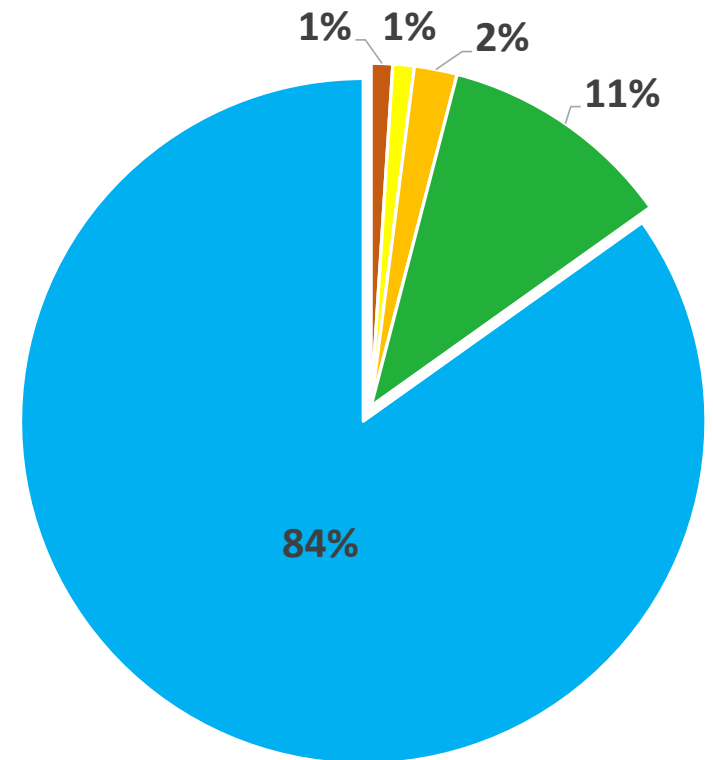
### Logging Businesses



### Number of Employees



### Log Hauling Businesses





# Eligible Applicants

- **Timber Harvesters (aka Loggers)**

Loggers are workers who perform the initial harvesting and transport of trees for ultimate processing into forest products. The process of cutting, processing, and moving trees includes skidding, on-site processing, and loading of trees or logs onto trucks or rail cars.



- **Timber Haulers (aka Log Truck Drivers)**

Log truck drivers use semi trucks, 18-wheelers and other large vehicles to transport unprocessed wood, logs and other lumber products. Log truck drivers often work for lumber producers, mills and logging companies. They can also work as independent owner-operators of their own trucks and contract their services to different businesses.



# Eligible Applicants

**To be eligible for payment, persons or legal entities must:**

- **Be in operation as a timber harvester or timber hauler during some portion of both:**
  - January 1, 2019 through December 1, 2019; **AND**
  - January 1, 2020 through December 1, 2020

***NOTE:*** Timber operations that experience normal seasonal fluctuations during the applicable time periods will be considered in operation during the entire PATHH applicable period.

# Eligible Applicants

- The business must have had at least a 10 percent gross revenue loss when comparing the 2020 period with the 2019 period.
- The business must have 50 percent or more of its gross revenue derived from timber harvesting, timber hauling, or both during the periods of
  - January 1, 2019 through December 1, 2019; **AND**
  - January 1, 2020 through December 1, 2020

# Eligible Applicants

## Be one of the following:

- **Citizen** of the United States
- **Resident alien**, which for PATHH purposes means “lawful alien as defined in 5-PL
- **Partnership** of citizens or resident aliens of the United States;
- **Corporation**, limited liability company, or other organizational structure organized under State law and solely owned by U.S. citizens or resident aliens
- **Indian Tribe or Tribal organization**

**NOTE:** Minor children NOT are eligible for a payment under PATHH.



# Eligible Applicants

**Applicants are required to provide the name and taxpayer identification number of each person and/or legal entity that holds an ownership interest (“members” of a business).**



# Ineligible Applicants



# Ineligible Applicants

**The following types of applicants are ineligible for PATHH:**

- **Any person who is not a citizen of the U.S. or a lawful alien.**
- **Any legal entity or joint operation with a member at any level of ownership who is not a citizen of the U.S. or a lawful alien.**
- **Any person or legal entity that fails to provide names and tax identification numbers.**
- **Minor Children**

# Ineligible Applicants

**The following businesses are ineligible for PATHH:**

**Residential or commercial tree care**  
(aka Arborist, Tree Experts, etc.)



**Residential or commercial tree care is the application of arboricultural methods like pruning, trimming, and felling/thinning in residential and/or commercial built environments.**



## Landscape Services

Landscaping services are the construction, installation and maintenance of lawns, trees, yards, shrubs, gardens, patios, related grounds and other outdoor areas which are owned by others.



# Ineligible Applicants



## **Timber Broker**

**Timber brokers/buyers are people who buy and sell standing timber and logs.**

**They can work independently or directly for mills.**



# Ineligible Applicants

- **Trucking businesses that do not transport trees or logs.**
- **United States Federal, State, and local governments, including public schools as defined in 5-PL.**



# Applying For PATHH



## Getting Started!

### **FSA-1118 PATHH Program Application and Other Documents**

- AD-2047 Customer Data Worksheet
- CCC-901, as applicable
- AD-2106, optional
- AD-1026, applicant and affiliates as applicable
- FSA-1118 for all timber harvesting and/or hauling operation interests nationwide
- IRS 2290 Heavy Highway Vehicle Use Tax Return for 2019 and 2020, for timber haulers only.



# Applying for PATHH

FSA-1118 PATHH Program Application may be submitted using any of the following methods:

- In person <https://www.farmers.gov/working-with-us/service-center-locator>
- By mail (must be postmarked by October 15, 2021)
- Electronically by:
  - FAX, Scan, or Email signed FSA-1118
  - [www.farmers.gov](https://www.farmers.gov) online application
    - Reminder: Individual applicants can register for a Level 2 eAuthentication account at [www.eauth.usda.gov](https://www.eauth.usda.gov)
  - Box, OneSpan





United States  
Department of  
Agriculture

# FSA-1118 PATHH Application

Form Approved - OMB No. 0560-XXXX  
OMB Expiration Date: XX/XX/2021

**FSA-1118 (proposal 19)**  
**U.S. DEPARTMENT OF AGRICULTURE**  
**Farm Service Agency**  
**PANDEMIC ASSISTANCE FOR TIMBER HARVESTERS AND HAULERS (PATHH) PROGRAM APPLICATION**

**1.** Recording State:   
**2.** Program Year: **2020**  
**3.** Recording County:   
**4.** Application Number:

**NOTE:** The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a - as amended). The authority for requesting the information identified on this form is 7 CFR Part 9, the CARES Act (Pub. L. 115-130), and 15 U.S.C. 714b and 714c. The information will be used to determine eligibility for program benefits. The information collected on this form may be disclosed to other Federal, State, and Local government agencies, Tribal agencies, and nongovernmental entities that have been authorized access to the information by statute or regulation and/or as described in applicable Routine Uses identified in the System of Records Notice for USDA/FSA-2, Farm Records File (Automated). Providing the requested information is voluntary. However, failure to furnish the requested information will result in a determination of ineligibility for program benefits. Payments may be made under the program to which the form applies only to the extent permitted by applicable authorities.

**Public Burden Statement (Paperwork Reduction Act):** Public reporting burden for this collection of information is estimated to average 15 minutes per response, including reviewing instructions, gathering existing data needed, completing (providing the information), and reviewing the collection of information. You are not required to respond to the collection of information unless it displays a valid OMB control number. RETURN THIS COMPLETED FORM TO LOCAL USDA-FARM SERVICE AGENCY OFFICE.

**PART A - TIMBER HARVESTER/HAULER AGREEMENT**  
The Department of Agriculture (USDA) will make PATHH payments to eligible timber hauling and harvesting businesses that meet the requirements of the program. The following information is needed in order for USDA to make a determination that the applicant is eligible to receive a PATHH payment. By submitting this application, and upon its approval by USDA, the applicant agrees:

- To comply with, and acknowledges the applicant is subject to, all provisions of PATHH as published in the Notice of Funds Availability published in the Federal Register, and all applicable rules and regulations.
- That the applicant meets the definition of a timber harvesting business or timber hauling business and 50 percent or more of the business's gross revenue is derived from harvesting and/or hauling timber.
- The applicant's gross revenue between January 1, 2020 and December 1, 2020, declined 10% or more compared to gross revenue between January 1, 2019, and December 1, 2019. **NOTE:** The time periods are not full calendar years.
- To complete and submit the following forms applicable to the PATHH program:
  - To comply with applicant eligibility and payment limitation provisions:
    - AD-2047, Customer Data Worksheet, if applicable
    - CCC-901, Member Information for Legal Entities, if applicable
    - To comply with the provisions of the Food Security Act of 1985 that protect highly erodible land and wetlands:
      - AD-1026, Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification. **NOTE: If the applicant does not have any farming interests, the applicant can certify to box 5a on the AD-1026.**
  - If the applicant is a Timber Hauler:
    - IRS Form 2290, Heavy Highway Vehicle Use Tax Return, for logging vehicles for 2019 and 2020. **NOTE: A copy of these forms must be submitted to the Farm Service Agency.**
- To provide to USDA all information necessary to verify that the information provided on this form is accurate upon request, allow USDA representatives access to all documents and records of the applicant for the purpose of confirming the accuracy of the information provided, and submit all required documents within 60 days from the date the applicant submits this application. Failure of an individual, entity, or member of an entity to timely submit all information required may result in no payment or a reduced payment.

**PART B - TIMBER HARVESTER/HAULER INFORMATION**  
5. Applicant Name, Address (City, State and Zip Code) and Phone Number (include Area Code)

**PART C - TIMBER HARVESTER/HAULER REVENUE**

6. Timber Business Type	7. Principal Business Code	8. AGENCY USE ONLY							
		9. 2019 Gross Revenue (Jan 1, 2019 - Dec 1, 2019)	10. 2020 Gross Revenue (Jan 1, 2020 - Dec 1, 2020)	11. Origination Date 2019 (Only complete if business operation originated after January 1, 2019)	12. Dissolution Date 2020 (Only complete if business operation dissolved prior to December 1, 2020)	13. Agency Adjusted 2019 Revenue	14. Agency Adjusted 2020 Revenue	15. Agency Adjusted 2019 Origination Date	16. Agency Adjusted 2020 Dissolution Date
Harvester (Only)	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Hauler (Only)	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Other	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Date Stamp:

**FSA-1118 (proposal 10)**

**PART D - TIMBER HARVESTER/HAULER CERTIFICATION**  
I certify the applicant identified in Part B Item 5 is an individual person that is a U.S. Citizen or Resident Alien; or a legal entity, including corporation, LLC, estate, general partnership or joint venture, or similar type entity, comprised solely of persons who are U.S. Citizens or Resident Aliens; or is an Indian Tribe or organization, as defined in section 4 (b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304).

☐ YES ☐ NO

I certify that I have provided a copy of my IRS Form 2290, Heavy Highway Vehicle Use Tax Return, for logging vehicles for 2019 or that I hauled timber on tribal land in 2019 and am not required to complete IRS Form 2290.

☐ YES ☐ NO

I certify that I have provided a copy of my IRS Form 2290, Heavy Highway Vehicle Use Tax Return, for logging vehicles for 2019 or that I hauled timber on tribal land in 2020 and am not required to complete IRS Form 2290.

☐ YES ☐ NO

I certify by signing this application that the applicant is not a residential or commercial one care business; landscape service; trucking business that does not transport trees or logs; timber brokers; and/or United States Federal, State, and Local governments. I hereby sign and acknowledge under penalty of perjury in accordance with 28 U.S.C. § 1746 and 18 U.S.C. § 1621 that the foregoing is true and correct.

16A. Signature (By):   
16B. Title/Relationship of the Individual Signing in a Representative Capacity:   
16C. Date (MM/DD/YYYY):

**PART E - COUNTY COMMITTEE (COC) DETERMINATION**  
17A. COC or Designee Signature:   
17B. Date (MM/DD/YYYY):   
18. Determination: ☐ APPROVED ☐ DISAPPROVED

In accordance with Federal civil rights law and USDA civil rights regulations and policies, the USDA, its agencies, offices, and employees participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at [http://www.ascr.usda.gov/complaint\\_filing\\_cust.html](http://www.ascr.usda.gov/complaint_filing_cust.html) and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (800) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-6410; (2) fax: (202) 690-7442; or (3) email: [program.intake@usda.gov](mailto:program.intake@usda.gov). USDA is an equal opportunity provider, employer, and lender.

# Applying for PATHH

By signing FSA-1118, the applicant is **Agreeing to Part A:**

## **PART A – TIMBER HARVESTER/HAULER AGREEMENT**

The Department of Agriculture (USDA) will make PATHH payments to eligible timber hauling and harvesting businesses that meet the requirements of the program. The following information is needed in order for USDA to make a determination that the applicant is eligible to receive a PATHH payment. By submitting this application, and upon its approval by USDA, the applicant agrees:

1. To comply with, and acknowledges the applicant is subject to, all provisions of PATHH as published in the Notice of Funds Availability published in the Federal Register, and all applicable rules and regulations.
2. That the applicant meets the definition of a timber harvesting business or timber hauling business and 50 percent or more of the business's gross revenue is derived from harvesting and/or hauling timber
3. The applicant's gross revenue between January 1, 2020 and December 1, 2020, declined 10% or more compared to gross revenue between January 1, 2019, and December 1, 2019. **NOTE:** *The time periods are not full calendar years.*
4. To complete and submit the following forms applicable to the PATHH program:
  - To comply with applicant eligibility and payment limitation provisions:
    - AD-2047, Customer Data Worksheet, if applicable
    - CCC-901, Member Information for Legal Entities, if applicable
  - To comply with the provisions of the Food Security Act of 1985 that protect highly erodible land and wetlands:
    - AD-1026, Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification. **NOTE:** *If the applicant does not have any farming interests, the applicant can certify to box 5a on the AD-1026.*
  - If the applicant is a Timber Hauler:
    - IRS Form 2290, Heavy Highway Vehicle Use Tax Return, for logging vehicles for 2019 and 2020. **NOTE:** *A copy of these forms must be submitted to the Farm Service Agency.*
5. To provide to USDA all information necessary to verify that the information provided on this form is accurate upon request, allow USDA representatives access to all documents and records of the applicant for the purpose of confirming the accuracy of the information provided, and submit all required documents within 60 days from the date the applicant submits this application. Failure of an individual, entity, or member of an entity to timely submit all information required may result in no payment or a reduced payment.

# Applying for PATHH

Applicant is required to **certify** timber harvesting/hauling **Gross Revenue** received for the respective 11-month periods

- 2019 Gross Revenue received 1/1/2019 thru 12/1/2019
  - Item #8 of Part C of the FSA-1118
- 2020 Gross Revenue received 1/1/2020 thru 12/1/2020
  - Item #9 of Part C of the FSA-1118

**Certification is subject to spot check**

Applicant will retain revenue documents for 3 years  
COC may request documentation

6. Timber Business Type	7. Principal Business Code	8. 2019 Gross Revenue (Jan 1, 2019 – Dec 1, 2019)	9. 2020 Gross Revenue (Jan 1, 2020 – Dec 1, 2020)
Harvester (Only)	<input type="text"/>	<input type="text"/>	<input type="text"/>
Hauler (Only)	<input type="text"/>	<input type="text"/>	<input type="text"/>
Harvester & Hauler	<input type="text"/>	<input type="text"/>	<input type="text"/>

# New or Dissolved Operation

Businesses applying for PATHH that either:

- Started operations in 2019 and/or,
- Closed in 2020

Must report:

- origination date and/or,  
(Item #10 of Part C of the FSA-1118)
- dissolution date  
(Item #11 of Part C of the FSA-1118)





# Applying for PATHH

By signing FSA-1118, Part D, the applicant is **certifying:**

- ✓ Applicant and all members, if a joint operation or legal entity are US citizen(s) or legal alien(s); or a Tribal entity or Organization
- ✓ Have provided IRS-2290 forms, as applicable
- ✓ All information is true and correct to the best of their knowledge
- ✓ Are not an ineligible applicant
  - Residential or commercial tree care service
  - Landscape service
  - Trucking business not hauling logs/timber
  - Timber Broker
  - Federal, State or local government

# Applying for PATHH

## What else does the Applicant need to provide at the time of application?

- Principle Business code (NAICS)
- IRS-2290 Required for Timber Haulers



# Applying for PATHH

## **Timber Haulers applying for PATHH must submit:**

**IRS-2290 Heavy Highway Vehicle Use Tax Return, for logging vehicles for 2019 and 2020**

- Information and an example of this form on IRS website link:  
<https://www.irs.gov/forms-pubs/about-form-2290>

**Exception: If a timber hauling business is only operating on Tribal land, Form 2290 is not required.**

# Applying for PATHH

The following documentation will support an applicant's claim that 50% or more of their gross income came from timber harvesting or hauling. Any of the primary documentation maybe provided on its own to support this, while secondary documentation must be provided with primary documentation to support an applicant's eligibility.



# Applying for PATHH

## Primary documentation

- Documents showing detailed timber harvesting equipment or log-hauling truck(s) showing ownership, bank loan or mortgage, lease, ad valorem tax documents, and/or insurance coverage.
- For loggers & haulers that work on federal lands in the West, Forest Service or BLM documentation, e.g., contracts, scale tickets, or other documents such as insurance or safety inspection documents.
- For businesses that work solely with private lands/timber, similar/equivalent documentation could be available from private landowners or the mills that they do business with-- receipts or scale tickets indicating they harvested or hauled certain amounts of logs on particular dates, purchased timber access from a landowner, and/or sold or delivered logs to mills.



## Secondary documentation

- Letter from CPA noting their business structure and guidance for deviating from the NAICS code
- Logger safety training certification
- Professional logging association membership
- State employment job worker's compensation classifications of employees



# Disapprovals

**The FSA-1118 will not be approved if any of the following occur:**

- program eligibility requirements are not met
- person or legal entity applying for PATHH is determined to not to be an eligible applicant
- signature requirements were not met
- the applicant intentionally misrepresented their total gross revenue

**Note: If FSA-1118 was completed but never signed by the applicant or someone on behalf of the applicant, take no action on FSA-1118. It is not considered filed unless it is signed.**

# Payment Limitation

- **Payment Limitation is \$125,000**
- **Indian Tribe or Tribal Organization is not subject to \$125,000 cap**



United States  
Department of  
Agriculture

# Payment Formula



# Payment Formula

**Payments will be calculated as follows:**

**The gross revenue for the period of 1/1/19 through 12/1/19,**

**minus**

**the gross revenue for the period of 1/1/20 through 12/1/20,**

**multiplied**

**by 80%**



# Payment Formula

- Initial payment
- Final payment

# Payment Formula

Please note, there is a \$200 million limit to the funding for PATHH.

If the total calculated final payments (in combination with the initial payments) exceed the \$200 million, the final payment amounts may be factored or the maximum payment limitation (\$125,000) may be reduced to stay within the available funding.

# Payment Formula

## Initial Payment

FSA will issue an initial payment equal to the lesser of:

- The gross revenue for the period of 1/1/19 through 12/1/19, **minus** the gross revenue for the period of 1/1/20 through 12/1/20, **multiplied** by 80%; or
- \$2,000

**If the initial payment is \$2,000, exactly or less, there will be no final payment or reduction applied.**

# Payment Formula

## Final Payment

After the close of the application period, FSA will issue a final payment.

This payment be equal to:

(the gross revenue for the period of 1/1/19 through 12/1/19, **minus** the gross revenue for the period of 1/1/20 through 12/1/20, **multiplied** by 80%) **minus** the \$2,000 of the initial payment

# Payment Calculation Examples





# Payment Formula

## EXAMPLE 1

**A business that has been in operation for all of 2019 and 2020**

- **Timber Business N was created in 1987 and is still in operation today.**
- **The gross revenue for the business is \$600,420 for 2019 and \$235,000 in 2020.**
- **The business had a gross revenue loss of 61%.**

# Payment Formula

## EXAMPLE 1

Payment Calculation: (2019 Gross Revenue – 2020 Gross Revenue) x 80%

$$(\$600,420 - \$235,000) \times 80\% = \$292,336$$

Initial Payment = lesser of \$2,000 or the payment amount

$$\text{Initial Payment} = \text{\textcolor{red}{\$2,000}}$$

$$\text{Final Payment} = \$292,336 - \$2,000 = \$290,336.$$

Will be reduced to payment limitation, which is equal to \$125,000  
minus \$2,000 (initial payment).

$$\text{The final payment} = \text{\textcolor{red}{\$123,000}}.$$

# Payment Formula

## **EXAMPLE 3**

### **A seasonal timber business**

- **ABC Logging was in business for the entire year of 2019 and 2020.**
- **ABC Logging was unable to complete any timber harvesting or hauling due to “mud season” in the month of March of 2019 as well as during part of February and March of 2020.**
- **They certified gross revenue in 2019 of \$300,000, and a gross revenue in 2020 of \$150,000.**
- **The business had a gross revenue loss of 50%.**
- **Note: Because the business was seasonal, but in existence during all of 2019 and 2020, the gross revenue for each year does not need to be adjusted due to the seasonality. The business should certify items 8 and 9 in Part C of the FSA-1118.**

# Payment Formula

## EXAMPLE 3

Payment Calculation: (2019 Gross Revenue – 2020 Gross Revenue) x 80%

$$(\$300,000 - \$150,000) \times 80\% = \$120,000$$

Initial Payment = lesser of \$2,000 or the payment amount.

$$\text{Initial Payment} = \text{\textcolor{red}{\$2,000}}$$

$$\text{Final Payment} = \$120,000 - \$2,000 = \text{\textcolor{red}{\$118,000}}$$

# Payment Formula

## EXAMPLE 4

### **A business originated in 2019**

- **Timber Business A was created on July 17, 2019, and is still in operation today;**
- **therefore, it was in operation during PATHH program periods Jan 1, 2020 – Dec 1, 2020 (336 days) and from July 17, 2019, to December 1, 2019 (138 days).**
- **The gross revenue for the business is \$140,000 for 2019 and \$200,000 in 2020.**
- **The business had a gross revenue loss of 41%.**



# Payment Formula

## **EXAMPLE 4**

Payment Calculation: (2019 Gross Revenue (proportioned to be equal to 11 months (335 days)) – 2020 Gross Revenue) x 80%

$$(((\$140,000 / 138 \text{ days}) \times 335 \text{ days}) - \$200,000) \times 80\%$$

$$(\$339,855.072 \text{ (not rounded)} - \$200,000) \times 80\% = \$111,884.06$$

Initial Payment = lesser of \$2,000 or the payment amount.

$$\text{Initial Payment} = \text{\textcolor{red}{\$2,000}}$$

$$\text{Final Payment} = \$111,884.06 - \$2,000 = \text{\textcolor{red}{\$109,884.06.}}$$

# Questions?

**Pandemic Assistance for Timber Harvesters Program Webpage:**

<https://www.farmers.gov/coronavirus/pandemic-assistance/pathh>

**Locations of Farm Service Agency Service Centers:**

<https://www.farmers.gov/working-with-us/service-center-locator>

