

Transitional Industry Support Program (TISP)

Direct Payment Form & Guide



Agriculture and
Agri-Food Canada

Agriculture et
Agroalimentaire Canada

Canada

About the Direct Payment

The Direct Payment is designed to provide assistance to producers in meeting the financial challenges resulting from the market impacts of Bovine Spongiform Encephalopathy (BSE). The Direct Payment and the General Payment are the dual components of the Transitional Industry Support Program offered by the Government of Canada.

Direct Payments received under the Transitional Industry Support Program are considered to be farming income for tax purposes.

The Direct Payment will provide a fixed assistance amount per eligible animal owned on December 23, 2003. The following types of livestock are covered by the Direct Payment:

Livestock	Price per head (\$)
Cattle	up to \$80
Bison	up to \$80
Elk	up to \$40
Deer	up to \$20
Goats	up to \$16
Sheep	up to \$16

Eligibility

To be eligible for the Direct Payment, a farming operation must:

- 1) have owned eligible livestock (see chart) on December 23, 2003, and
- 2) be reporting farming income (or loss) earned in Canada for 2003 to the Canada Revenue Agency as one of the following:
 - a) an individual
 - b) a corporation or co-operative
 - c) a trust or communal organization

In order to receive assistance, each tax-filing operation must complete and submit a Direct Payment Application indicating the livestock it owned as of December 23, 2003.

Partnerships: Each partner who wishes to apply must submit an application reporting only their percentage of the partnership's eligible livestock inventory. In the case of a tax-filing operation that is part of one or more partnerships, a single application indicating all animals owned by that operation through their own proprietorship (if any) and all partnerships must be submitted.

Animal Share: Producers involved in an animal sharing arrangement must only report the number of animals represented by their portion of the sharing arrangement.

TISP - Direct Payment

Calculation of Payment

The Direct Payment to a farming operation will be calculated by multiplying the number of eligible animals owned on December 23, 2003 by the respective assistance amount per head for each type of livestock.

The number of eligible animals for each type of livestock will be calculated as:

TOTAL NUMBER OWNED ON DEC 23, 2003
— NUMBER OF INTACT MALES* (OVER 1 YEAR OLD) OWNED ON DEC. 23, 2003
— NUMBER OF FEMALES HAVING BIRTHED** OWNED ON DEC 23, 2003
= TOTAL NUMBER OF ELIGIBLE ANIMALS

* "Intact Males" means male animals with reproductive capacity.

** "Females Having Birthed" means female animals that have given birth in their lifetime.

Note: The Direct Payment will be paid out of a fixed funding allocation. As such, payments will be issued at incremental levels to ensure the amounts paid do not exceed the amount allocated. Initial payments will be issued at 70% of the calculated total. Once all payments have been made, any funds remaining will be paid out at the appropriate increment.

Important Information

The deadline for submitting a Direct Payment Application is July 31, 2004

Please submit completed applications to:

**Direct Payment
P.O. Box 3177
Regina , SK
S4P 3G7
FAX: 1-306-780-3575**

If any of the required information is missing or incomplete, the application will be returned to the sender. It is the responsibility of the applicant, even if a third party completes the application on their behalf, to ensure that the completed application has been submitted and received prior to the application deadline. Applications will not be considered to be received by the deadline unless all of the required information has been provided.

For further assistance, refer to:

the toll-free information line:
1-866-367-8506

the Direct Payment Website:
www.agr.gc.ca/tisp

Adjustments: Verifiable adjustments to information submitted on the Direct Payment Application will be accepted for up to 30 days from the date of payment notification or up to the application deadline, whichever is later.

Reviews: Direct Payment recipients who feel that rules were applied incorrectly in the calculation of their payment may request a review of their file. Review requests must be submitted in writing within 30 days of the date of payment notification, and should be addressed to the Review Committee.

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