

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

FAQs from webinar will be posted on –

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

Farm Service Agency Office (877) 508.8364 Locator -

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

**Application Period – July 22, 2021 through October 15, 2021. Applications must be submitted online, postmarked by, or submitted in person by Oct 15.**

### Three categories:

1. Eligibility
2. Application
3. Payment

**Eligibility** – Geared for one of two businesses:

1. Timber Harvesting Business (NAICS Tax code 113310)
  - a. Cutting Timber
  - b. Cutting and Hauling Timber
  - c. Producing wood chips on forest land
2. Timber Hauling Business (NAICS Tax Code 484220 or 484230)

**Requirements – \*\*\*These Certifications are subject to a Spot Check/Audit must retain documents for 3-years**

1. At least 10% loss in Gross Revenue in the period of 1/1/2020 through 12/1/2020 VS. 1/1/2019 through 12/1/2019 (11 MONTH Period, does not include the month of December)

### AND

2. At least 50% of business gross Revenue is derived from Timber harvesting, timber hauling, or both.

**Who Qualifies?** \*Bankruptcy does NOT exclude applicant

1. Citizen of the USA
2. Resident Alien
3. Partnership of citizens or resident alien
4. Cooperation – LLC or other organizational structure organized under the State law and SOLELY owned by US Citizen or resident alien
5. Indian Tribe

**Who Does NOT Qualify?**

1. Any person who is not a Citizen of US or lawful alien

2. Any legal entity or joint operation with a member AT ANY LEVEL OF OWNERSHIP, who is not a citizen of the US or lawful alien.
3. Any person or entity that fails to provide names and Tax IDs
4. Any persons with a controlled substance violation.

### Which Businesses Do NOT Qualify?

1. Residential or Commercial Tree Care (i.e Arborist)
2. Landscape Services
3. Timber Brokers
4. Trucking Businesses NOT hauling Timber
5. Minors

**Application** - Forms may include, but may not be limited to...

- a. AD-2047
- b. CCC-901
- c. AD-1026
- d. SF-3881
- e. FSA -1118
- f. IRS – 2290 for 2019 and 2020  
([www.irs.gov/forms-pubs/about-form-2290](http://www.irs.gov/forms-pubs/about-form-2290))  
*\*Timber hauling from Tribal land does not require this form*
- g. Principle Business Code/NAICS

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

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**FSA – 1118** – This is the PATHH Application and MUST BE SIGNED by business owner, failure to do so will result in ineligibility. \*All required forms specific to your business must be completed within **60 days** of FSA – 1118 date of signature, failure to do so could result in ineligibility. \*Misrepresentation of gross revenue will result in disapproved application.

**Payment** – Two step payment plan:

1. Initial Payment of \$2,000 issued at approval for program
2. Final Payment – Issued after eligibility for total less \$2,000 initial payment  
*Example: Business qualifies for \$100,000 payment, the initial payment would be \$2,000 followed by a final payment of \$98,000.*

Payment Max - \$125,000 (limited to \$200 million program total)



## Payment Example of Business Still Operating



# 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

$$\text{Initial Payment} = \mathbf{\$2,000}$$

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

Will be reduced to payment limitation, which is equal to \$125,000 - \$2,000 (initial payment). The final payment = **\$123,000.**

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## Payment Example of Business that was Dissolved in 2020 – (Prorated by days in operation)



# Payment Formula

## EXAMPLE 4

Payment Calculation: (2019 Gross Revenue – 2020 Gross Revenue (proportioned to be equal to 11 months (336))) x 80%

$$(\$500,000 - ((\$100,000 / 236 \text{ days}) \times 336 \text{ days}) \times 80\%$$

$$(\$500,000 - \$142,372.881 \text{ (not rounded)}) \times 80\% = \$286,101.70$$

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

$$\text{Initial Payment} = \mathbf{\$2,000}$$

$$\text{Final Payment} = \$286,101.70 - \$2,000 = \$284,101.70.$$

Will be reduced to payment limitation, which is equal to \$125,000 - \$2,000 (initial payment).  
The final payment = **\$123,000.**

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