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


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
   *Timber hauling from Tribal land does not require this form

   g. Principle Business Code/NAICS

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

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
Initial Payment = **$2,000**

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**.

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\% = \$286,101.70\]

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

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**.