RULES
OF THE
MISSISSIPPI DEPARTMENT OF AGRICULTURE AND COMMERCE

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SUBPART 3
CHAPTER 13-Boll Weevil Eradication Rule

Program Participation; Fee Payment; Penalties; and Credits

111.01 Upon passage of the grower referendum conducted under the provisions of Section 69-37-17, Mississippi Code 1972, all cotton growers in the eradication area designated as Region IV as set out in subsection 103.01 shall be required to participate in the boll weevil eradication program as follows: For years 2009 through 2011, all growers shall be assessed no more than $12.00 per acre. A total of no more than $12.00 per acre shall be payable on or before August 1 of each year as based on certified acres reported from the Farm Service Agency in each county where cotton is grown.

(Adopted November 12, 1993.)

111.02 Upon passage of the grower referendum conducted under the provisions of Section 69-37-17, Mississippi Code 1972, all cotton growers in the eradication area designated as Region III as set out in subsection 103.02 shall be required to participate in the boll weevil eradication program as follows: For years 2009 through 2011, all growers shall be assessed no more than $12.00 per acre. A total of no more than $12.00 per acre shall be payable on or before August 1 of each year as based on certified acres reported from the Farm Service Agency in each county where cotton is grown.

(Adopted November 12, 1993.)

111.03 Upon passage of the grower referendum conducted under the provisions of Section 69-37-17, Mississippi Code 1972, all cotton growers in the eradication area designated as Region II as set out in subsection 103.03 shall be required to participate in the boll weevil eradication program as follows: For years 2009 through 2012, all growers shall be assessed no more than $12.00 per acre. A total of no more than $12.00 per acre shall be payable on or before August 1 of each year as based on certified acres reported from the Farm Service Agency in each county where cotton is grown.

(Adopted November 12, 1993.)

111.04 Upon passage of the grower referendum conducted under the provisions of Section 69-37-17, Mississippi Code 1972, all cotton growers in the eradication area designated as Region I-A as set out in subsection 103.04 shall be required to participate in the boll weevil eradication program as follows: For years 2009 through 2013, all growers shall be assessed no more than $12.00 per acre. A total of no more than $12.00 per acre shall be payable on or before August 1 of each year as based on certified acres reported from the Farm Service Agency in each county where cotton is grown.

(Adopted November 12, 1993.)

111.05 Upon passage of the grower referendum conducted under the provisions of Section 69-37-17, Mississippi Code 1972, all cotton growers in the eradication area designated as Region I-B as set out in subsection 103.05 shall be required to participate in the boll weevil eradication programs as follows: For years 2009 through 2013, all growers shall be assessed no more than $12.00 per acre. A total of no more than $12.00 per acre shall be payable on or before August 1 of each year as based on certified acres reported from the Farm Service Agency in each county where cotton is grown.

(Adopted November 12, 1993.)

111.06 All fees paid by the grower shall be collected by the Mississippi Department of Agriculture and Commerce, Bureau of Plant Industry, and made payable to the Bureau of Plant Industry.
(Adopted November 12, 1993.)

111.07 Failure to pay annual assessments on or before the August 1 deadline will result in a penalty fee of ~~$5.00~~ $3.00 per acre. Failure by a grower to pay all program costs by ~~July 15~~ August 1 shall be a violation of this Rule.
(Adopted November 12, 1993.)

111.08 In addition to other remedies for the collection of assessments including, Penalties, the Commissioner shall have a special lien on cotton which shall be superior to any other lien provided by law. Provided, however, that the buyer of cotton shall take free of such lien if he has not received written notice of such lien from the Commissioner, or if he has paid for such cotton by a check in which the Department is named as joint payee. Failure to make the Department a joint payee shall make the buyer of cotton liable for such assessments and/or penalties. A buyer of cotton other than a person buying cotton from the grower takes free of such lien.

111.09 A farm operator may apply for a waiver requesting to be exempted from penalties and requesting delayed payment of assessments under conditions of financial

hardship. Any farm operator applying for a waiver shall make application in writing to the Commissioner on a form prescribed by the Commissioner. No exemption of penalties shall be granted to any cotton grower who after the amount of assessments and penalties otherwise due has been subtracted from his taxable net income, has a net income exceeding fifteen thousand dollars ($15,000.00) for the year in which he seeks an exemption. "Taxable net income" shall have the same meaning as "net income" defined in Section 27-7-13, Mississippi Code/Title 27 Taxation and Finance/Chapter 7 Income Tax and Withholding/Article 1 as follows: "Net income means the gross income as defined therein, less allowable expenses incurred in the taxpayer's regular trade or profession." However, be it further noted that a taxpayer's regular trade or profession shall, in the case of a cotton grower, not be limited to farming, whereby net profit shown on Schedule F of the Federal Tax Return is not his/her only source of income. Taxable net income shall be considered the amount shown on Form 1040, 1040A or 1040EZ as "taxable income" after all allowed expenses, deductions and adjustments are made to gross income regardless of whether the tax return has been filed jointly or in partnership. However, cotton growers who have sold real estate or other assets within the last tax year to pay farming debts in order to avoid bankruptcy may request in writing an additional adjustment to taxable net income. In such case, the amount of indebtedness expended toward being debt free during the taxable year may be subtracted from taxable net income in addition to assessments owed and penalties otherwise due. In support of such, applicable tax documents and a letter of support from the grower's banking or financial institution must be submitted explaining the sale of such assets to avoid filing bankruptcy proceedings. Failure to pay any fees or file a completed waiver request for delayed payment on or before August 1 of the current growing season will result in a penalty fee of five dollars ($5.00) per acre. All farm operators granted waiver requests for financial hardship will be charged interest payable at a rate equal to 1% above prime per annum. The decision whether or not to waive all or part of these requirements shall be made by the Certified Cotton Growers Association and notification given to the farm operator within two weeks after receipt of such application.

111.10 At such times as are profitable to the boll weevil eradication program, the Certified Cotton Growers Organization may authorize credits for early cotton stalk destruction. Such credits shall be applied to the sub-sequent year's assessment as determined by the Certified Cotton Growers Association. In order to claim such credits:

1. The grower must complete the stalk destruction verification form. Such forms must be completed in the county in which the cotton was produced at the FSA office.
2. The stalk destruction must be verified by an authorized representative of the Southeastern Boll Weevil Eradication Foundation, Inc.
3. The stalk destruction verification form must be received at the Department no later than December 1 of the current growing season.

(Adopted November 12, 1993.)