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# About the cash advance program

The *Agricultural Marketing Programs Act (AMPA)* authorizes the cash advance program for farmers who have wheat, durum and barley stored on farm. The CWB administers this program for wheat, durum and barley grown in Western Canada.

## Important information

The 2006-07 *AMPA* program runs from September 1, 2006 to August 31, 2007. Application deadline is May 31, 2007 or sooner. The CWB will notify your company if an earlier deadline will be in effect.

**Note:** AMPA cash advance payments on feed barley may not be available after the close of the first pool period, January 31, 2007. The CWB will consider offering advances after the closing date if the market value for feed barley warrants.

## 2006-07 Pre-Delivery Top Up

This program will be available for the 2006-07 crop year. Farmers can top-up their cash advance on wheat and durum with an additional amount per tonne from the CWB. It is called a Pre-Delivery Top Up because farmers can get these extra dollars before their wheat and durum is delivered. Farmers must have an approved cash advance based on their harvested grain to cover the tonnage they are applying for.

## Total eligible amount

Applicants can receive up to \$250,000 per crop year for all crops (not just wheat, durum and barley) regardless of the number of farming operations in which the applicant has a financial interest. The first \$50,000 is interest-free until the advance is repaid or August 31, 2007, providing the advance is not placed in default.

Any monies outstanding from the 2005-06 *AMPA* program where default has been stayed and from advances issued through other producer organizations for other crops reduces the applicant's total eligible amount.

See pages 27 to 65 for step-by-step instructions on completing an advance.

### 2006- 07 advance payment rates (per tonne)

Wheat	\$80
Durum	\$75
Barley	\$35
Designated Barley	\$60

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## Repayment

Applicants must repay their advance by delivering wheat, durum and barley. Deductions on 2006-07 AMPA advances are taken at the same rate the advance was issued (see rates on the table on page 20). The rates per tonne shown on the table have been established by the federal government. Applicants can repay, in cash, up to \$500 or 10 per cent of the issued value of the advance (whichever is greater).

The CWB introduced a telephone/Internet/ATM bill payment service enabling farmers to repay their outstanding CWB cash advances. Any cash payments over the limit are subject to cash refund interest (fall program). Read more about the automated bill payment service on page 22.

In order to deduct and report advance refunds to the CWB, feed mills, grain dealers and fuel ethanol plants must apply in writing to the CWB for an Advance Payment Deduction Agreement. Where an agreement with the CWB is held, the required deductions will be made from grain deliveries and remitted to the CWB. Where an agreement with the CWB is not held, it is the applicant's responsibility to submit the necessary advance refund to the CWB, with receipts, and make the appropriate grain delivery entry into the permit book.

## Default date

Applicants will be placed in default if they have not met all of the obligations of their advance application on or before **August 17, 2007**. Applicants whose defaulted AMPA advances are repaid after August 31, 2007 are not eligible for a 2007-08 cash advance (see page 10).

## Fees

Your grain company charges \$75.00 (plus GST if advised by your head office) per application to cover their administrative costs.

## Related producers – all applicants must complete

All applicants must answer either "Yes" or "No" to the questions in the section regarding related producers. Failure to complete this section may result in delay or rejection of the advance application and/or advance payments from being processed or issued.

If the applicant answers **YES** to either of the following questions shown in this section on the advance application then the applicant must complete the *Related Producers' Declaration* form:

- Do you appear in other CWB delivery permit books as an individual or as a member of a corporation, cooperative, partnership or other business enterprise?
- Do you share the reporting of income or losses from this or any other farming operation with anyone else for the purposes of the *Income Tax Act* (Canada)?

## Submitting and correcting forms

To assist in processing and to provide faster service to farmers, please staple supporting documents to the back of the advance application and fold the advance application with the calculations to the outside.

If a document needs to be amended before the applicant can receive payment this can be done by fax. The CWB will fax its copy to the elevator so that it can be amended. The fax number is (204) 983-8031. The farmer and elevator manager must initial all the changes. The CWB will approve the advance based on the fax copy returned. The original corrected fax copy is kept at the elevator and must be held on file for six years and be available upon request. If for some reason, the original amended fax copy cannot be kept at the elevator, they may be mailed to the CWB for storage.

In addition, the CWB will accept faxed copies of *Priority Agreement* forms if the original, signed copy is either forwarded to us or held on file at the elevator.

## Priority Agreement

Where a lien exists, the advance cash ticket can be issued jointly or to the applicant, as directed by the Lender on the *Priority Agreement* form.