

NISA CONTACT

Newsletter for the Net Income Stabilization Account (NISA) Program

February 2002

2000

statistical summary - 2000 stabilization year

Applications received

156,305

Number of paid deposits

71,670

Value of paid deposits

\$220,794,694

Number of deemed deposits

41,164

Value of deemed deposits

\$131,196,315

Number of paid withdrawals

32,085

Value of paid withdrawals

\$330,133,930

Number of Interim

withdrawals issued

275

Value of interim withdrawals paid out

\$8,356,623

Total value of NISA accounts

\$3,485,541,114

Record toll-free calls for December 2001

This December, our busiest period, NISA toll-free staff answered a record 19,191 phone calls within an average speed of 70 seconds. This is an increase of almost 1000 calls as compared to December 2000.

Coming up...

NISA Forms and Guides

The Farming Income and NISA joint forms for the 2001 stabilization year are now available at Canada Customs and Revenue Agency (CCRA) offices. All other 2001 forms and guides (corporate, cooperative and special individual) will be available in March 2002. **NOTE:** For the 2001 stabilization year, the *NISA Handbook* is available upon request only. To request a copy of the NISA Handbook, please contact our toll-free lines at **1-800-665-6472 (NISA)** or download the Handbook from our web site at www.agr.gc.ca/nisa

Trade Shows

Visit a NISA representative at one of these upcoming events:

Pacific Ag show February 7-9 (Abbotsford, BC)

Royal Manitoba Winter Fair

March 25-30 (Brandon, MB). Find us at the Agriculture kiosk in the Government of Canada booth.

Northlands Farm & Ranch Show

March 27-30 (Edmonton, AB)

Western Canadian Farm Progress Show

June 19 - 21 (Regina, SK)

Annual Account Statement & AGR-1

NISA Annual Account Statements and AGR-1 *Supplementary - Statement of Farm Support Payments* tax slips for the 2001 taxation year will be sent to NISA participants in February 2002. Taxable withdrawals from Fund 2 will be indicated on the Annual Account Statement.

Need NISA funds fast?

If you find that you still need more money after receiving your 2000 NISA withdrawal trigger, why not consider an **Interim Withdrawal**?

With the Interim Withdrawal feature, you estimate your withdrawal entitlement for the 2001 stabilization year and request to receive the funds now. What do you need to do?

- 1 CALL NISA'S TOLL-FREE LINE** at **1-800-665-6472 (NISA)** and request an Interim Withdrawal application.
- 2 ESTIMATE** what you think you would receive in withdrawal entitlements for the 2001 stabilization year (or 2002 for corporations or cooperatives with a non-calendar fiscal year end).
- 3 SUBMIT** your Interim Withdrawal application before the deadline.

The deadline for **2001 Interim Withdrawal applications** is **March 1, 2002**. For corporations and cooperatives with a non-calendar fiscal year end, **2002 Interim Withdrawal applications** are due by **March 1, 2003**. Interim Withdrawal payments are issued within 30 days of receipt of your application.



NISA funds and taxability

The month of December is the busiest time of the year for NISA's toll-free lines. This year, NISA account managers received a record number of calls from program participants, accountants and form preparers. Some of the most frequently asked questions over the toll-free lines are about the tax treatment of NISA withdrawals. See below for an example.

Q: I sent my Deposit Withdrawal Options Notice (DWON) to NISA in mid-December. I used part of my trigger to deem a deposit. With the remainder of the trigger I requested a withdrawal. If both of these are taken from Fund 2, why is the deemed withdrawal taxable in 2001 and the withdrawal cheque taxable in 2002?

A: Deemed withdrawals are taxable in the year they are processed and, in this case, it was processed in the 2001 calendar year (therefore taxable in 2001). Your withdrawal cheque, however, was issued in 2002 and was therefore taxable in 2002.

Contact the NISA Program at:

600 - 200 Graham Avenue
P.O. Box 6100
Winnipeg, Manitoba
R3C 4N3

Fax: (204) 984-3717

Questions?

Our toll-free lines are open from 8 a.m. to 5 p.m. (CST). For reasons of confidentiality, we ask that you have your PIN number ready and a copy of your NISA statement (or your tax form) when you call our toll-free lines. For service in English, call us at **1-800-665-6472 (NISA)**.

Visit the NISA Program web site at www.agr.ca/nisa