



PANDEMIC ASSISTANCE FOR TIMBER HARVESTERS AND HAULERS PROGRAM (PATHH)



Overview

USDA is providing critical support to timber harvesting and hauling businesses impacted by the effects of the COVID-19 outbreak through the Pandemic Assistance for Timber Harvesters and Haulers Program (PATHH). PATHH aids businesses that suffered a gross revenue loss of at least 10 percent during the period of January 1, 2020, and December 1, 2020 compared to the period of January 1, 2019, and December 1, 2019.

The Farm Service Agency (FSA) is accepting applications for PATHH from July 22, 2021, through October 15, 2021.

Visit farmers.gov/service-locator to find your local FSA county office.

Who Is Eligible?

To be eligible for payments, applicants must:

- Be a timber harvesting or timber hauling business where 50 percent or more of its gross revenue is derived from one or more of the following:
 - (1) cutting timber;
 - (2) transporting timber; and
 - (3) processing wood on-site, which can include chipping, grinding, converting to biochar, cutting to smaller lengths, etc. on forest land.
- Have been in operation as a timber harvesting business or timber hauling business during the periods of January 1, 2019, through December 1, 2019 (11 months), and January 1, 2020, through December 1, 2020 (11 months), and experienced a loss of at least 10 percent in gross revenue during the previously mentioned time period for year 2020 compared to the gross revenue during the year 2019;
 - » Note: Applicants must have operated for part of the eligible program period in both 2019 and 2020 to be eligible for PATHH. FSA will adjust the applicant's gross revenue proportionately if the applicant did not operate during the entire program period.
- Have 50 percent or more of its gross revenue derived from timber harvesting and/or timber hauling during the period of January 1, 2019, through December 1, 2019, and the period of January 1, 2020, through December 1, 2020;
- Comply with the provisions of the "Highly Erodible Land and Wetland Conservation" regulations, often called the conservation compliance provisions;
- Not have a controlled substance violation;
- Be a citizen of the United States or a resident alien; and
- Submit a complete PATHH application form (FSA-1118) and provide all required documentation as specified in the documents section below.

Definitions

Gross Revenue means the business's gross receipts from timber harvesting and/or hauling transactions. Applicants should not include any sale of physical assets, such as machinery or equipment, when calculating the business's gross revenue.

Gross Receipts are the total amount of business received from timber harvesting or hauling activities without subtracting any costs or expenses.

Timber harvesting business is a business, also known as a logging business, with its gross revenue derived from one or more of the following:

- Cutting timber;
- Cutting and transporting timber; or
- Producing wood chips on forest land; in addition
- The business must be classified under NAICS Code 113310 for tax purposes; or as otherwise determined by the Deputy Administrator for Farm Programs.

Timber hauling business is a business, also known as a log hauling business, with its gross revenue derived from the transporting of products harvested from a forest land with vehicles registered (under the laws of the state or states in which the vehicle is required to be registered) as highway motor vehicles used in the transportation of timber.

- The business must also be classified for tax purposes under NAICS Code 484220 or 484230, and
- Have filed IRS Form 2290 for logging vehicles for tax years 2019 and 2020, or as otherwise determined by the Deputy Administrator for Farm Programs.

Timber is the trees or logs harvested from forest land. It includes trees or logs that have been minimally processed onsite in the forest before transportation from the forest land (e.g., wood chips, slash, etc.).

NAICS is the 2017 North American Industry Classification System. It is the standard used by Federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing, and publishing statistical data related to the U.S. business economy.

Principal business code is a six-digit number that classifies the main type of product a business sells or service offered. It is based on NAICS codes and is synonymous for PATHH with NAICS.

Documents

- FSA-1118, Pandemic Assistance for Timber Harvesters and Haulers (PATHH) Application
 - » Applicants must complete and sign the PATHH application and submit it to any Farm Service Agency county office nationwide. The applicant must certify to the gross revenue for 2019 and 2020 on the FSA-1118.
- AD-2047, Customer Data Worksheet
 - » This form will be filled out for all individuals and legal entities (including entity members) who have not previously provided their personal information to USDA that positively identifies the applicant.
- CCC-901, Member Information for Legal Entities
 - » Legal entities will fill out the CCC-901 to facilitate the administration of the payment limitation and eligibility requirements, including providing members' names and taxpayer identification numbers.
- AD-1026, Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification
 - » All applicants must complete the AD-1026. If the applicant does not have any farming interests, this can be certified in box 5A. If the applicant does have a farming interest, the form must be completed in its entirety.
- IRS Form 2290, Heavy Highway Vehicle Use Tax Return
 - » An applicant applying as a timber hauler must provide a copy of IRS Form 2290 for logging vehicles for tax years 2019 and 2020. Under special circumstances, as determined by USDA, this form will not be required for a timber hauler.
- Other Documentation
 - » If requested by USDA, the applicant must provide documentation to verify eligibility and the information included on the application, such as tax records with NAICS Codes 113310 or 484220, as well as evidence that supports the gross revenue the applicant received from timber harvesting or hauling, such as gross receipts, tax returns, and other documentation that is determined acceptable by USDA as valid evidence.



Applying for PATHH and Where to File Your Application

Farm Service Agency staff at your local FSA county office will work with you to file your applications. Application may be submitted by mail, fax, hand delivery, email, OneSpan, or Box¹. Please call your FSA county office prior to sending applications electronically for instructions and assistance.

The PATHH application and associated forms are available online at farmers.gov/pathh. You can find contact information for your local FSA county office on the same site or by visiting farmers.gov/service-locator.

An applicant must submit the FSA-1118 and all other required documents. Failure of an individual, legal entity, or a member(s) of a legal entity to submit the following payment limitation and payment eligibility forms within 60 days from the date of signing the PATHH application may result in no payment or a reduced payment.

¹ For more information on OneSpan and Box please visit farmers.gov/mydocs or call your local FSA county office.

Payment Calculation

Payments will be based on the applicant's gross revenue received from January 1, 2019, through December 1, 2019, minus gross revenue received from January 1, 2020, through December 1, 2020, multiplied by 80%.

FSA will issue an initial payment equal to the lesser of the application calculated payment amount described above or \$2,000.

A second payment will be made after the sign-up period has ended if the calculated payment exceeds \$2,000 (subject to available PATHH funding). USDA may prorate final payments or reduce the payment limitation if total calculated payments exceed the total funding allocated for PATHH.



Payment Limitations

The maximum amount that an applicant may receive, directly, is \$125,000.

Like all other programs administered by FSA, payments made to a program applicant that is a Indian Tribe or Tribal organization, as defined in section 4(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304), will not be subject to payment limitation.

Applicant Certification

An applicant's gross revenue, personal business codes, and business origination and dissolution dates are self-certification by the applicant and are subject to spot check.

Applicants must understand that failure to provide complete and accurate information and records may result in the following:

- An application for PATHH assistance being disapproved, adjusted by the county committee, or approved but ineligible for payment.
- The applicant or applicants being liable under any civil or criminal fraud statute or any other statute or provision of law.

Who to Call for Help

Additionally, applicants interested in one-on-one support with the PATHH program application can contact our call center at 877-508-8364 to speak directly with a USDA employee ready to offer assistance.

For More Information

This fact sheet is for informational purposes only; other restrictions may apply. For more information about the PATHH program, visit farmers.gov/pathh, or contact your local FSA office. To find contact your local FSA office, visit farmers.gov/service-locator.

