

British Columbia Whole Farm Insurance Program (WFIP)

Program Guidelines *2002 Taxation Year*

These Guidelines are for British Columbia farmers
with taxation year ends from
January 1, 2002 to December 31, 2002

**Important - Claim Deadline - 2002 Taxation Year:
September 30, 2003**

For Information or Assistance:

Call toll free, 1-888-576-FARM (3276)

Check our WEBSITE: <http://www.agf.gov.bc.ca/finance/arm/wfip/wfipoc.htm>

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INTRODUCTION

This document describes the Whole Farm Insurance Program (WFIP) for 2002. It applies only to the claims of applicants whose fiscal year end falls in the 2002 calendar year. It is meant to provide farmers, accountants and advisers with specific details of the program. The 2002 claim forms and instruction guide are contained in a separate document.

If you have questions about the Whole Farm Insurance Program, please:

- refer to the Program Guidelines;
- refer to the Instruction Guide to Completing the Claim Forms;
- call toll free, 1-888-576-FARM (3276) to speak with Ministry of Agriculture, Food and Fisheries staff; or
- contact one of the Ministry of Agriculture, Food and Fisheries offices.

Additional copies of this document and claim forms are also available:

- by phoning toll free, 1-888-576-FARM (3276);
- from Ministry of Agriculture, Food and Fisheries offices;
- from Government Agents;
- on the Internet at the ministry website <http://www.agf.gov.bc.ca/finance/arm/wfip/wfiptoc.htm> (applications may be printed from the website, but must be filled out and returned in hard copy); or
- by contacting WFIP Program Administrator, BC Ministry of Agriculture, Food and Fisheries, 4607 23rd Street, Vernon, BC, V1T 4K7

****PLEASE NOTE:**

In order to make a claim for the 2002 tax year, the 2002 claim form must be completed and sent in by the September 30, 2003 DEADLINE. Claims must be postmarked no later than the September 30, 2003 deadline.

No claims will be accepted after the deadline.

Send completed claims to:

**Whole Farm Insurance Program Administrator
Ministry of Agriculture, Food and Fisheries
4607 23rd Street,
Vernon, British Columbia, V1T 4K7**

PROGRAM GUIDELINES WHOLE FARM INSURANCE PROGRAM

1. Purpose

- 1.1 The Whole Farm Insurance Program (WFIP) is a voluntary program for farmers. The objective is to reduce extreme income reductions that are beyond the farmer's control. WFIP is not designed to provide support to offset long-term declines in margins or to cover farming losses. The program has been designed to conform to World Trade Organization guidelines.

2. General Description of WFIP and its relationship to CFIP

- 2.1 Eligible farmers may apply for a claim when their current year program margin falls below 70 per cent of their reference margin. The claim will be considered according to these guidelines.
- 2.2 WFIP is a program funded by British Columbia. It is distinct from the Canadian Farm Income Program (CFIP) funded by Canada. WFIP and CFIP have similar rules. The WFIP rules are described in these guidelines. The CFIP rules are described in the *Canadian Farm Income Program 2002 Program Handbook*.
- 2.3 British Columbia administers both programs: WFIP on its own behalf and CFIP on behalf of Canada. British Columbia treats applications to it for the WFIP program as also being applications under the CFIP program. A single payment, comprising both WFIP and CFIP benefits, is issued to each successful applicant. The payment is based on a 60% federal and 40% provincial funding formula.

3. Definitions

In this Program

- a) **actively farming** means carrying out the physical work needed to produce and market agricultural commodities, or making the day-to-day management decisions for an on-going farming business; for example: planting and harvesting; selecting crop rotations and spray schedules; breeding, raising and feeding livestock; scheduling maintenance for machines, equipment and buildings; managing cash flow, taxation and financing;
- b) **BCMAFF** means the Province of British Columbia as represented by the BC Ministry of Agriculture, Food and Fisheries and its representatives involved in the delivery of the program;
- c) **beginning farmer** has the meaning given in section 9;
- d) **Crop Insurance Program** means the program established under the Canada-British Columbia Crop Insurance Agreement;

- e) **British Columbia resident** means an individual who resided in British Columbia for at least six months in the claim year and files a T1 Federal and British Columbia Individual Income Tax Return with respect to the current claim year;
- f) **claim** means a request for funds by a participant in the program;
- g) **claimant** means an individual (either as a sole proprietor or a partner in a partnership), a corporation (including a cooperative) or a trust that makes a claim under the program;
- h) **corporation** means a corporate entity, the shares in which have not been publicly traded; and includes a cooperative incorporated under the *Cooperative Association Act*;
- i) **production cycle** means the process of normal initiation, seasonal management, production and marketing of a particular commodity;
- j) **current year** means the taxation year for which a claim for payment is being made, also referred to as the claim year;
- k) **NISA** means the Net Income Stabilization Account program established pursuant to the Federal-Provincial Agreement on the Net Income Stabilization Account Program;
- l) **non-arm's length** has the same meaning that "not at arm's length" has in the *Income Tax Act* (Canada);
- m) **Olympic Average** means a three-year average based on the preceding five-year period excluding the year with the highest margin and the year with the lowest margin.
- n) **program** means the Whole Farm Insurance Program, also referred to as WFIP;
- o) **program margin** has the meaning given in section 6.1;
- p) **reference margin** means the average of the program margins for the three years immediately prior to the current year or the Olympic Average (see **m** above), whichever is greater;
- q) **shareholder** means a holder of common shares of a corporate entity, the shares of which have not been publicly traded; and includes a member of a cooperative association incorporated under the *Cooperative Association Act*;
- r) **structural change** has the meaning given in section 10; and,
- s) **support level** has the meaning given in section 7.3.

4. Eligibility for a 2002 Claim

- 4.1 A claimant must have been actively farming in 2002 and the end of the claimant's fiscal period must be in the 2002 calendar year to be eligible to make a claim for payment under the program. To be eligible the following must also be satisfied:
- 4.1.1 The claimant must have carried on the business of farming in its tax year ending in 2002 for a minimum of six consecutive months and substantially completed a production cycle that tax year.
 - 4.1.2 If the claimant is in the last year of farming, the claimant must have carried on the business of farming in its tax year ending in 2002 for a minimum of six consecutive months, and completed a production cycle that ended in the claim year.
 - 4.1.3 If the claimant is an individual, the individual must have carried on the business of farming in 2002 as a sole proprietor or as a partner in a partnership, and must have reported farming income earned in British Columbia on a T1 Individual Income Tax Return.
 - 4.1.4 If the claimant is a corporation (see definition), the corporation must have carried on the business of farming in 2002 and the corporation must have reported farming income earned in British Columbia on a T2 Corporation Income Tax Return.
 - 4.1.5 If the claimant is a trust, the trust must have carried on the business of farming in 2002 and the trust must have reported farming income earned in British Columbia on a T3 Trust Income Tax and Information Return.
 - 4.1.6 Applicants may not apply to more than one province. If the producer has farming income from more than one province, the producer may only apply to the province in which the majority of farming income has been reported during the claim year.
- 4.2 Actively farming partners in a partnership may make one joint WFIP claim if none of the partners are involved in any other farming partnership or proprietorship. Otherwise each partner must claim separately.
- 4.3 Government-funded organizations engaged in farming as a business, research stations universities and colleges are not eligible.

5. Claims and Deadlines

- 5.1 A claim fee, made payable to the Whole Farm Insurance Program, must accompany any claims as follows.
 - 5.1.1 If claiming as an individual, partnership, corporation or trust, a non-refundable claim fee of \$100 must be sent with the claim.
 - 5.1.2 **The claim deadline for the 2002 claim year is September 30, 2003.** The Minister may extend the deadline for the program as a whole under certain circumstances. A completed claim, including the fee, must be received by BCMAFF or postmarked on or before the deadline. **No claims will be accepted after the deadline, regardless of the circumstances. Late claims will be returned to the claimants.**
- 5.2 A claim for a WFIP payment may be made only if an income tax return for the current year has been filed with Canada Customs and Revenue Agency. Tax returns for the previous three years (or previous five years if using the Olympic Average) must also have been filed unless the claimant qualifies as a beginning farmer (see section 9). All changes filed with Canada Customs and Revenue Agency by the claimant must be sent to BCMAFF within 30 days of being filed with Canada Customs and Revenue Agency.
- 5.3 **Individuals and Partners** must submit copies of pages 1 and 2 of the T1 Individual Income Tax Return for 1999, 2000, 2001 and 2002. If providing information for the Olympic Average option also include pages 1 and 2 for 1997 and pages 1 and 2 for 1998.
 - 5.3.1 Partners in a partnership may make one joint WFIP claim if none of the partners are involved in any other farm partnership or proprietorship, and if there are 5 or fewer partners in the partnership. Otherwise each partner must claim separately. **The claim must be signed by all of the partners.**
- 5.4 **Corporations** must claim as an entity.
 - 5.4.1 Corporations that file on a cash basis with Canada Customs and Revenue Agency must submit copies of the T2S (1) (T2 SCH 1 for 2001 and 2002) Reconciliation of Net Income for Income Tax purposes, coded financial statements for the current year and the reference period as well as any other financial documents requested by BCMAFF.
 - 5.4.2 Corporations that file tax with Canada Customs and Revenue Agency on the accrual basis must submit coded financial statements for the current year and the reference period as well as any other financial documents deemed necessary by BCMAFF.
- 5.5 **Trusts** must submit a copy of the T3 Trust Income Tax and Information Return, for the current year and the previous three years (or five for the Olympic Average) as well as any other financial documents deemed necessary by BCMAFF.
- 5.6 The claimant(s) must complete the claim form in full and sign at the appropriate places.
- 5.7 A person may make a claim for a WFIP payment when the program margin for the current year falls below 70 per cent of the reference margin.

5.8 WFIP does not cover the loss of capital assets.

6. Program Margin

6.1 The program margin is the difference between allowable farm income and allowable farm expenses.

6.2 Allowable farm income is all farming income derived from carrying on the business of farming as reported to Canada Customs and Revenue Agency, excluding the following:

- Agricultural custom work income in excess of 30 per cent of total farm income for that year
- Employment income
- Interest income
- Mandatory inventory adjustment (claim year only)
- NISA withdrawals
- Non-agricultural custom work income
- Off-farm business income (such as, consulting, food processing, logging, per diem payments, rodeo, timber and lumber sales, trapping, etc.)
- Optional inventory adjustment (claim year only)
- Rebates for excluded expenses
- Recapture of capital cost allowance
- Rental income (for example; machine rent, building, land and pasture rent, livestock rent)
- Royalty Income
- Sand, soil, gravel, timber, lumber and water sales
- Surface lease payments for rental, severance or inconvenience (such as, seismic, gas lease, power line payments)
- WFIP/AIDA/CFIP payments
- Capital Sales

6.2.1 In determining allowable farm revenue, if any transactions by non-arm's length parties have not been valued at fair market value, BCMAFF may adjust the numbers reported to reflect the fair market value.

6.2.2 BCMAFF may vary or disallow income amounts claimed if BCMAFF considers them to be unreasonable or unverifiable.

6.3 Allowable farm expenses are all farming expenses as reported to Canada Customs and Revenue Agency excluding the following:

- Allowance on eligible capital property
- Bank service charges
- Capital cost allowance
- Clearing, levelling and draining land expenses
- Drought deferrals
- Expenses associated with excluded portions of agricultural custom work income (usually 50 per cent of excluded income)
- Expenses associated with non-agricultural custom work income and off-farm business income (usually 50 per cent of income)
- Insurance program overpayment recapture (claim year only)
- Interest
- Life insurance premiums
- Leasing expenses (such as, equipment, cows, bulls)
- Mandatory inventory adjustment (claim year only)
- NISA contributions
- Optional inventory adjustment (claim year only)
- Property taxes
- Rent (such as, land, buildings, machinery, livestock, and pasture)
- Salaries paid to partners (other than spouse or family as described in 6.4.1)
- Terminal loss on disposition of depreciable property
- Tree and vine cost for orchard and vineyard renovation
- Water rights taxes, licensing fees for drainage or irrigation
- WFIP/AIDA/CFIP overpayment recapture (all years)

6.3.1 In determining allowable farm expense, if any transactions by non-arm's length parties have not been valued at fair market value, BCMAFF may adjust the numbers reported to reflect the fair market value.

6.3.2 BCMAFF may vary or disallow expense amounts claimed if BCMAFF considers them to be unreasonable or unverifiable.

6.4 Non-arm's Length Relationships

6.4.1 Non-arm's length salaries (family labour) are allowable expenses and included in both the calculation of reference and claim year margins. Margins for all reference years, whether on the previous 3-year basis or the Olympic Average option, subject to verification, include non-arm's length salaries in the calculation of any WFIP claim. Non-arm's length salaries must still be reported separately from arm's length salaries on Schedule 7a of the WFIP forms. This is necessary to identify significant non-arm's length transactions in the farm business and determine their eligibility for WFIP.

6.4.2 For purposes of WFIP, non-arm's length has the same meaning that "not at arm's length" has in the Income Tax Act (Canada). The following related persons are considered to deal with each other at non-arm's length:

- natural and adopted children, grandchildren, great-grandchildren, including in-laws.
- mothers, fathers, grandparents, including in-laws;
- brothers, sisters, including in-laws;
- husbands, wives, including common-law spouses.

6.4.3 A person is dealing at non-arm's length with a corporation if that person controls the corporation, or is dealing at non-arm's length with the persons who control the corporation.

6.4.4 If transactions between non-arm's length parties have not been valued at fair market value, BCMAFF will adjust the numbers reported to reflect fair market value.

6.5 Agricultural Custom Work

6.5.1 In the calculation of program margins, agricultural custom work income is allowable in any year as long as it represents 30 per cent or less of the total farm income reported that year. If the income exceeds 30 per cent, the amount above 30 per cent will be excluded farm income, and 50 per cent of this excluded amount will be considered as an excluded expense unless actual expenses are accounted for.

6.6 Non-agricultural Custom Work

6.6.1 In the calculation of program margins, non-agricultural custom work and off-farm business income is excluded income, and 50 per cent of this excluded amount will be considered an excluded expense. If there is an accurate breakdown of related expenses, that figure can be used. If the income is for salary or salary equivalent, then there is no excluded expense.

6.7 Crop share income is only eligible to the extent that the income received by the landlord results from sharing both price and yield risks with the tenant.

6.8 For farmers reporting farming income to Canada Customs and Revenue Agency on a cash basis, the reference margin will be calculated on the cash basis as reported to Canada Customs and Revenue Agency. Adjustments for receivables, deferred income, payables and inventories will be made to the current year program margin.

6.9 For farmers reporting farming income to Canada Customs and Revenue Agency on an accrual basis, and paying tax on the accrual basis, the reference margin and the current year program margin will be calculated on the accrual basis.

7. Payments

- 7.1 Whole Farm Insurance Program payments cannot be assigned.
- 7.2 Current year program margin is calculated from net farm income with adjustments identified on the claim form. If the current year program margin is negative, it will be deemed to be zero.
- 7.3 Previous year program margin is calculated from net farm income with adjustments identified in the claim form. If the previous year program margin (sum of all farm operations) in any year is negative, it is deemed zero.
- 7.4 The claimant is eligible for a payment if the current year's program margin is less than the support level (70 per cent of the reference margin).
- 7.5 The maximum WFIP claim will be the difference between the claimant's support level and the claimant's current year program margin, subject to the limitation in section 7.2. The WFIP payment will be calculated using Schedule 12 for individuals; Schedule 13 for partnerships and corporations; and Schedule 14 for trusts.
- 7.6 The Whole Farm Insurance Program is not intended to confer a benefit in excess of \$145,000 to an individual in a claim year, taking into account all benefits derived from being involved in multiple farm enterprises.
- 7.6.1 The amount payable to an individual depends on
- the size of the individual claim
 - whether the individual elected to reduce their individual claim in order to increase a partnership, corporation or trust benefit.
- 7.6.2 The amount payable to a partnership depends on:
- the size of the partnership claim
 - the number of actively farming partners
 - the percentage of the partnership interest of the actively farming partners
 - whether the partnership elected to reduce its claim in order to increase a benefit to an individual, corporation or trust or to another partnership.
 - the amount claimed by each actively farming partner and the amount attributable to each actively farming partner in their capacity as an actively farming individual who is i) a shareholder of a corporate claimant, ii) a beneficiary of a trust claimant, or iii) a partner in another partnership claimant.
- 7.6.3 The amount payable to a corporation depends on:
- the size of the corporate claim
 - the number of actively farming common shareholders
 - the percentage of common shares held by the actively farming shareholders

- whether the corporation elected to reduce its claim in order to increase a benefit to an individual, partnership or trust or to another corporation.
- the amount claimed by each actively farming shareholder and the amount attributable to each actively farming shareholder in their capacity as an actively farming individual who is i) a partner of a partnership claimant, ii) a beneficiary of a trust claimant, or iii) a shareholder in another corporate claimant.

7.6.4 The amount payable to a trust depends on:

- the size of the trust claim
- the number of actively farming beneficiaries of the trust
- whether the trust elected to reduce its claim in order to increase a benefit to an individual, corporation or partnership or to another trust.
- the amount claimed by each actively farming beneficiary and the amount attributable to each actively farming beneficiary in their capacity as an actively farming individual who is i) a partner of a partnership claimant, ii) a shareholder of a corporate claimant, or iii) a beneficiary of another trust claimant.

7.7 The maximum payments under WFIP are:

7.7.1 For individuals, \$145,000, with the maximum payment calculated at 100 per cent of the first \$100,000 claimed and 60 per cent of the next \$75,000 claimed.

7.7.2 For partnerships,

- \$725,000, or
- \$145,000 for each actively farming partners, with the maximum payment calculated at 100 per cent of the first \$100,000 attributable to that partner and 60 per cent of the next \$75,000 attributable to that partner.

whichever is the lesser

7.7.3 For corporations

- \$725,000, or
- \$145,000 for each actively farming shareholder, with the maximum payment calculated at 100 per cent of the first \$100,000 attributable to that shareholder and 60 per cent of the next \$75,000 attributable to that shareholder (refer to schedule 13 re: percentage interest)

whichever is the lesser

7.7.4 For trusts, the maximum is \$145,000, with the maximum payment calculated at 100 per cent of the first \$100,000 claimed and 60 per cent of the next \$75,000 claimed (refer to Schedule 14 re: percentage beneficial interest).

7.8 The claim year margin will be increased by an amount equivalent to a calculated federal and provincial government NISA contribution for eligible net sales for the claim year for all NISA

participants. The equivalent amount added will be based on NISA contribution guidelines. NISA participants must submit a copy of the completed NISA (tax) Statement form.

- 7.9 The claim year margin will not be adjusted for those not enrolled in NISA. Non-participation will be confirmed with the NISA Administration.
- 7.10 To the extent the claimant owes money to Canada or the Province, the net WFIP payment may be used to satisfy the obligation.
- 7.11 WFIP payments will be pro-rated if the total claims for any current year exceed the WFIP budget.
- 7.12 Claimants should note that Canada Customs and Revenue Agency considers WFIP payments as farming income.
- 7.13 Claimants must clearly show, and verify on request, separate farm income and farm expenses on their claims for transactions between non-arm's length parties, otherwise BCMAFF will combine the farm operations for purpose of calculating a claim.

8. Amendments to the Claim

- 8.1 The claimant must inform BCMAFF about any changes or corrections to information supplied.
- 8.2 If BCMAFF determines that information received is in error, it may re-assess WFIP payments made.
- 8.3 A claimant will be required to refund to BCMAFF any payments received under the program that are contrary to this document.
- 8.4 The claimant must pay to BCMAFF interest on money required to be repaid. The interest rate is the Canadian Imperial Bank of Commerce's prime lending rate plus 3 per cent per annum, adjusted quarterly.

9. Beginning Farmer

The following are the criteria for a beginning farmer:

- 9.1 Applicants are eligible as beginning farmers if all of the following apply:
 - they meet the WFIP eligibility requirements and have not reported net farming income or expense to Canada Customs and Revenue Agency in one or more of the three years prior to the claim year,
 - they have reported farming income to Canada Customs and Revenue Agency in the current year and less than three of the five years prior to the claim year, and
 - they have carried on the business of farming for six months or more and substantially completed a crop production cycle in the claim year.
- 9.2 If the claimant has not been farming for four consecutive years, WFIP will establish margins for the claimant's missing years for the farm based on the same farm structure that existed in the first year of farming as follows:
 - Use the information supplied by the claimant
 - Use WFIP beginning farmer margin worksheet
 - Use BCMAFF beginning farmer margins.
 - Use the Statistics Canada Farm Input Price Index to adjust costs to appropriate years
 - Use industry average price and yield information to establish revenues for the reference years
 - Use Crop Insurance average yields and prices.
- 9.3 The Olympic Average option is not available to Beginning Farmers.
- 9.4 Where a beginning farmer's claim has resulted from a transfer between non-arm's length parties, and all or substantially all of the farm and equipment from the previous operation has been included in the transfer and there have been no other changes in the business of farming on that

farm, the historical data from the previous farm operations will be used to calculate the reference margin.

10. Structural Change

- 10.1 Structural change means a change in ownership, business structure, size of operation, farming practices, type of farming activity, accounting methods or any other practice that may alter program margins.
- 10.2 If, as determined by BCMAFF, there has been a significant decrease or increase in the size of the applicant's farming operation, BCMAFF may adjust reference margins to fairly reflect the potential for profit in the claim year.
- 10.3 If the claimant manipulates the farming operation or business structure for the purpose of affecting the payment under WFIP, BCMAFF may cancel the farmer's participation in WFIP and require repayment of any monies received under WFIP.

11. Verification, Audit and Inspection

- 11.1 BCMAFF and its representatives must be allowed access to the claimant's farm. The claimant agrees to make available for audit all farm records, books of account, income tax returns and Notices of (Re) Assessment, Canadian Wheat Board permit books, cooperative and independent packinghouse information, vegetable marketing agency, BCMAFF loan and crop insurance records and any other records BCMAFF considers necessary to determine the accuracy of the information in the claim.
- 11.2 If verification, audit or inspection results in a change to information on the claim, the claimant may be eligible for an additional WFIP payment or may be required to return any excess payment.
- 11.3 BCMAFF considers that inspection is fundamental to this agreement. If the claimant refuses to cooperate as required by this section, BCMAFF may cancel the claimant's participation and require repayment of any monies received.
- 11.4 Claimants should note that it is a crime
 - a) to, by deceit, falsehood or other fraudulent means defraud the BCMAFF of money; or
 - b) with intent to defraud the BCMAFF of money, to alter, falsify, make a false entry in or omit a material particular from a claim or supporting documents.

12. Reviews and Appeals

Administrative Review

- 12.1 WFIP applicants who feel that these guidelines were not correctly applied in the verification of their applications may request a review of their application. They must make the request within 30 calendar days of the applicant receiving notice of ineligibility or notice of the amount of the net WFIP payment. WFIP Administration must perform an internal review, independent of the verification process. If program guidelines have not been correctly applied, they must make adjustments to the file. If program guidelines have been correctly applied, they must confirm the verification. The request for an internal review is to be made to

Whole Farm Insurance Program Administrator
BC Ministry of Agriculture, Food and Fisheries
4607 – 23rd Street
Vernon, British Columbia V1T 4K7

Review Committee Review

- 12.2 WFIP applicants who, after an internal review, feel that WFIP program rules were not correctly applied in the verification of their application may request a review by the Review Committee. A \$50 deposit, payable to the Whole Farm Insurance Program, is required from the applicant when requesting a review of a decision made regarding their claim and must accompany the request for review. The request must be made in writing to

Whole Farm Insurance Program Manager
BC Ministry of Agriculture, Food and Fisheries
4607 – 23rd Street
Vernon, British Columbia V1T 4K7

- 12.2 A request for review of eligibility to make a claim or the amount of benefit received must be received by the WFIP Program Manager within 30 calendar days of the applicant receiving a response to their request to an internal review.
- 12.3 The request for review must contain the information and arguments that the applicant wishes to have considered in the review. The WFIP Program Manager must provide to the applicant for comment a document outlining both the applicant's and BCMAFF's application of these guidelines to the claim. The WFIP Program Manager must provide the Review Committee with the applicant's and WFIP's documentation and request a recommendation.
- 12.4 If the WFIP Administration on the recommendation of the Review Committee decides the claimant is eligible or if the re-assessment of the WFIP payment results in an increased payment, the \$50 deposit must be returned. If the WFIP Administration on the recommendation of the Review Committee confirms the claimant is ineligible or if the re-assessment of the WFIP payment does not result in an increased payment, the \$50 deposit is forfeited to WFIP.

The Review Committee consists of four individuals who are associated with the farming industry, two appointed by Canada and two appointed by British Columbia.

Appeals

- 12.5 For a \$50 deposit, applicants may appeal decisions made by the WFIP Administration after a review of their application by the Review Committee. The deposit, payable to the Whole Farm Insurance Program, must accompany the request for appeal.
- 12.6 If the claimant wishes to appeal the decision of the WFIP Administration made after a review of their application by the Review Committee, the claimant must deliver to the WFIP Manager within 14 calendar days of receipt of the written re-assessment, a written notice of appeal stating the grounds for appeal. This written request must be made in writing to

Whole Farm Insurance Program Manager
BC Ministry of Agriculture, Food and Fisheries
4607 – 23rd Street
Vernon, British Columbia V1T 4K7

- 12.7 If the claimant files an appeal in accordance with sections 12.5 and 12.6, BCMAFF must appoint a single arbitrator and request the arbitrator to conduct an oral hearing of the appeal at a time and place set by the arbitrator. If the claimant does not comply with sections 12.5 and 12.6, the arbitrator has no jurisdiction to hear the appeal.
- 12.8 The arbitrator has the jurisdiction to determine all procedures in the appeal.
- 12.9 The decision of the arbitrator is binding on both parties.
- 12.10 The arbitrator is directed to give written reasons for the decision.
- 12.11 The *Commercial Arbitration Act*, RSBC 1996, c. 55 applies, except where it is inconsistent with these guidelines.
- 12.12 If the arbitrator increases the amount of the WFIP payment, WFIP Administration must return the \$50 review deposit and \$50 appeal deposit. If the arbitrator does not increase the amount of the WFIP payment, the \$50 appeal deposit is forfeited to WFIP.

13. Deferrals

- 13.1 A WFIP payment will not be deferred to a future tax year.

14. Program Evaluation

- 14.1 The program will be evaluated on an on-going basis to ensure that the objectives of the program are being met.
- 14.2 The information obtained through the program will be used to administer the WFIP, evaluate claims, and on an aggregate basis will be used for statistical and program development purposes. The information may be shared with the Government of Canada or other government agencies for the purpose of administering and evaluating this program.

Technical Information Circulars

The following WFIP Technical Information Circulars are an integral part of these Program Guidelines:

- TIC-1 Salaries Paid to Partners within a Partnership
- TIC-2 Commodity Futures
- TIC-3 Net Income Stabilization Account (NISA)
- TIC-4 Accounts Payable
- TIC-5 Inventory Valuation
- TIC-6 Converting Corporate Accrual to Cash
- TIC-7 Custom or Contract Work
- TIC-8 Fiscal Year End Changes
- TIC-9 Beginning farmers
- TIC-10 Formation of a New Corporation or Trust
- TIC-11 Death of an Applicant
- TIC-12 Final Year of Farming
- TIC-13 Non-Arm's Length Transactions
- TIC-14 Reprocessing Claims
- TIC-15 Accounts Receivable
- TIC-16 Structural Change – Downsizing
- TIC-17 Structural Change – Expansion

To obtain copies of these circulars visit the WFIP web site: <http://www.agf.gov.bc.ca/finance/arm/wfip> or contact the WFIP Administration at 1-888-576-FARM (3276)