



Quality Certification Services (QCS)

5700 SW 34th Street, Suite 349, Gainesville FL 32608

phone 352.377.0133 / fax 352.377.8363

www.qcsinfo.org

June 22, 2020

Dear QCS Certified Client:

Enclosed please find the Gross Sales Assessment Form for the current period - Period 1, 2020. Please review the Frequently Asked Questions as you complete the form and prepare your assessment payment.

This semi-annual assessment is a percentage (0.5%) of gross sales for all products that are certified by QCS, and is one of the fee components required to maintain organic certification.

The deadline for submitting the form with payment is July 31st, 2020. After that date, a \$25 late fee will accrue and a Notice of Noncompliance will be issued in accordance with the requirements of the National Organic Program. Please be aware that QCS does not want to charge a late fee or issue a Notice of Noncompliance, which if unresolved, may result in suspension of your organic certificate.

We require the submission of the completed form even if your operation reports no organic sales in the second half of the year and/or you do not owe anything. The late fee will be charged if we do not receive this form by the deadline.

We value you as a client, and thank you for choosing QCS as your organic certifier. As a non-profit, our cash flow is dependent on these assessment revenues. We urge you to take a moment to fill out the form and send your payment promptly to avoid a late charge.

If you have any questions or need assistance completing the form, please do not hesitate to contact the QCS office.

Sincerely,

Quality Certification Services

COMPLETING THE GROSS SALES ASSESSMENT FORM: FREQUENTLY ASKED QUESTIONS (FAQ)

What is my QCS Entity #?

This number can be found on your Organic Certificate. It is a 4-digit number, followed by letter(s) denoting what type of certified operation you are, such as: (G)rower (L)ivestock (P)rocessing (H)andling A(Q)uaculture.

What sales do I report (Box 1)?

Total dollar amount of gross sales of products that are certified organic by QCS for the period of January 1st through June 30th, 2020. These are the products listed on your Product Verification Form (PVF) sent with certificate.

Gross sales = total revenues from sales of products *before* any deductions.

Packers, warehouses, and other certified operations that do not produce products but only provide handling, storage, or processing services to other certified operations pay assessments on the amount charged for that service to certified operations.

What are inputs (Box 2 & 3)?

Operations who produce products containing multiple organic ingredients may deduct from their gross sales the amount paid for *certified organic ingredients* incorporated into final organically certified products sold. This does not apply to Growers or Livestock operations.

What is the Annual Minimum (Box 5)?

The annual minimum for Growers and Livestock clients is \$150.00 per year. You are required to submit at least \$75 per assessment period to meet this.

If you submitted more than the calculated payment due in Period 1 (to meet the minimum \$75 payment), you may deduct the additional amount submitted from your Period 2 payment (as long as you meet the annual minimum payment of \$150).

Example A Period 1: \$45 calculated and \$75 payment submitted (\$30 extra) / Period 2: \$1200 calculated, make an \$1170 payment.

Example B Period 1: no sales and \$75 payment submitted / Period 2: \$1200 calculated, make an \$1155 payment.

Is there a cap on assessments?

Yes. The annual cap on assessments payable to QCS is \$10,000 for single site processors and handlers, \$20,000 for multi-site processors and handlers and \$6,000 for crop and livestock producers.

I completed my form. Now what?

All clients are required to submit this form to the QCS office, even if you report no sales and/or do not owe fees for this period. Please mail it to the address on the form, along with a check or money order, made **payable to QCS**. You can also email the form to qcs@qcsinfo.org.

Can I pay with a credit card?



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Yes, online. Mark the box at the bottom of the form indicating that you intend to pay online with a credit card, and send the form to QCS (mail / fax / email to Cheryl.boyd@qcsinfo.org). Go to www.qcsinfo.org/payments, enter the amount owed and select “Make a Payment” to proceed to the payment site, where you will complete your transaction. Please note your operation name and QCS Entity # in the “Special Instructions to Seller” section.