

SOYBEAN SEED STOCK FIRST PURCHASER FACT SHEET

- Under the federal soybean checkoff program implemented September 1, 1991, first purchases of seed stock are subject to the SOYBEAN PROMOTION, RESEARCH, AND CONSUMER INFORMATION ACT AND ORDER, administered by the United States Department of Agriculture.
- The soybean checkoff rate is .005 of the net market price per bushel, after moisture and quality discounts or premiums; but before any deductions for storage, handling, trucking or other services. In accordance with the Order, a first purchaser who purchases soybeans pursuant to a contract with a producer, either on a volume basis or on a per acre basis shall be responsible for remitting the assessment due on soybeans. Such assessment shall be based on .005 of the net market price specified or established in the contract and shall be collected at the time of payment to the producer. If the net market price is not specified or established in the contract the assessment shall be based on the posted county price for soybeans on the date of the date of the sale as posted at the local Farm Service Agency (FSA) office for the county in which the soybeans are grown.
- The checkoff assessment is to be remitted not later than the last day of the month following the period in which the soybeans were marketed. The period is defined by the state that the seed stock was grown. For some states the marketing period is monthly, while for other states it is quarterly. Check with the Qualified State Soybean Board (QSSB) office located in your state for the marketing period definition and reporting requirements. Each state's QSSB is responsible for administering the collection of the checkoff.
- A remittance form must be submitted even if there is no assessment to remit. Simply place zeros in the amounts due, sign, date and return the form as indicated.
- The federal soybean Act and Order requires strict cutoff for remittance. If the checkoff assessment has not been received from a first purchaser by the due date, the entity remitting must be charged a late fee of 2% for each month that they are late in remitting. The late fee is compounded monthly until paid.
- Remittance forms can be secured from your state's QSSB office.

As part of its responsibility, each QSSB shall conduct periodic audits on all first purchasers of seed stock to insure assessments are handled correctly.