

take into account the actual yield proved by the producer in the other four years of such base period)" after "determining the projected yield". See Effective and Termination Dates of 1973 Amendment note below.

EFFECTIVE AND TERMINATION DATES OF 1973
AMENDMENT

Pub. L. 91-524, title IV, §405(b), as added by Pub. L. 93-86, §1(12)(a), Aug. 10, 1973, 87 Stat. 229, provided that the amendment made by Pub. L. 91-524 is effective with respect to the 1974 through 1977 crops.

§ 1307. Limitation on payments under wheat, feed grains, and cotton programs for 1974 through 1977 crops

Notwithstanding any other provision of law—

(1) The total amount of payments which a person shall be entitled to receive under one or more of the annual programs established by titles IV, V, and VI of this Act for the 1974 through 1976 crops of the commodities and by titles IV and V of the Food and Agriculture Act of 1977 and titles IV, V, and VI of this Act for the 1977 crop of the commodities shall not exceed \$20,000.

(2) The term "payments" as used in this section shall not include loans or purchases, or any part of any payment which is determined by the Secretary to represent compensation for resource adjustment or public access for recreation.

(3) If the Secretary determines that the total amount of payments which will be earned by any person under the program in effect for any crop will be reduced under this section, the set-aside acreage for the farm or farms on which such person will be sharing in payments earned under such program shall be reduced to such extent and in such manner as the Secretary determines will be fair and reasonable in relation to the amount of the payment reduction.

(4) The Secretary shall issue regulations defining the term "person" and prescribing such rules as he determines necessary to assure a fair and reasonable application of such limitation: *Provided*, That the provisions of this Act which limit payments to any person shall not be applicable to lands owned by States, political subdivisions, or agencies thereof, so long as such lands are farmed primarily in the direct furtherance of a public function, as determined by the Secretary. The rules for determining whether corporations and their stockholders may be considered as separate persons shall be in accordance with the regulations issued by the Secretary on December 18, 1970.

(Pub. L. 91-524, title I, §101, Nov. 30, 1970, 84 Stat. 1358; Pub. L. 93-86, §1(1), Aug. 10, 1973, 87 Stat. 221; Pub. L. 95-113, title I, §104, Sept. 29, 1977, 91 Stat. 919.)

REFERENCES IN TEXT

This Act, referred to in pars. (1) and (4), is Pub. L. 91-524, Nov. 30, 1970, 84 Stat. 1358, as amended, known as the Agricultural Act of 1970. Title IV of that Act enacted section 1334a-1 of this title, amended sections 1301, 1305, 1306, 1378, 1379, 1379b, 1379c, 1379d, 1379e, 1379g, 1385, 1427, 1428, and 1445a of this title, and enacted provisions set out as notes under sections 1301, 1305, 1306, 1330 to 1334, 1335, 1336, 1338, 1339, and 1379c of this title. Title V of that Act amended section 1444b of this title and provisions set out as a note under section 1444b of

this title. Title VI of that Act enacted sections 1342a, 1350a, and 2119 of this title, amended sections 1305, 1344b, 1350, 1374, 1378, 1379, 1385, 1427, 1428, 1444, and 1444a of this title, and enacted provisions set out as notes under sections 1305, 1342, 1342a, 1343, 1344, 1344b, 1345, 1346, 1377, 1378, 1379, 1385, 1427, 1428, 1444, and 1446d of this title. For complete classification of this Act to the Code, see Short Title of 1970 Amendment note set out under section 1281 of this title and Tables.

The Food and Agriculture Act of 1977, referred to in par. (1), is Pub. L. 95-113, Sept. 29, 1977, 91 Stat. 913. Title IV of the Food and Agriculture Act of 1977 enacted section 1445b of this title, amended sections 1385, 1427, and 1428 of this title, and enacted provisions set out as notes under sections 1330, 1331, 1379d, 1385, 1427, 1428, 1445a, and 1445b of this title. Title V of the Food and Agriculture Act of 1977 enacted section 1444c of this title and enacted provisions set out as notes under sections 1444b and 1444c of this title. For complete classification of this Act to the Code, see Short Title of 1977 Amendment note set out under 1281 of this title and Tables.

CODIFICATION

Section was enacted as part of the Agricultural Act of 1970, and not as part of the Agricultural Adjustment Act of 1938 which comprises this chapter.

AMENDMENTS

1977—Par. (1). Pub. L. 95-113 substituted "to receive under one or more of the annual programs established by titles IV, V, and VI of this Act for the 1974 through 1976 crops of the commodities and by titles IV and V of the Food and Agriculture Act of 1977 and titles IV, V, and VI of this Act for the 1977 crop" for "to receive under one or more of the annual programs established by titles IV, V, and VI of this Act for the 1974 through 1977 crops".

1973—Par. (1). Pub. L. 93-86 substituted "one or more of the annual programs established by titles IV, V, and VI of this Act for the 1974 through 1977 crops of the Commodities shall not exceed \$20,000" for "each of the annual programs established by titles IV, V, and VI of this Act for the 1971, 1972, or 1973 crop of the commodity shall not exceed \$55,000".

Par. (2). Pub. L. 93-86 substituted "shall not include loans or purchases, or any part of any payment which is determined by the Secretary to represent compensation for resource adjustment or public access for recreation" for "includes price-support payments, set-aside payments, diversion payments, public access payments, and marketing certificates, but does not include loans or purchases".

Par. (3). Pub. L. 93-86 reenacted par. (3) without change.

Par. (4). Pub. L. 93-86 inserted provision that the rules for determining whether corporations and their stockholders may be considered as separate persons shall be in accordance with the regulations issued by the Secretary on December 18, 1970.

EFFECTIVE DATE OF 1977 AMENDMENT

Pub. L. 95-113, title XIX, §1901, Sept. 29, 1977, 91 Stat. 1045, provided that: "Except as otherwise provided herein, the provisions of this Act [see Short Title of 1977 Amendment note set out under section 1281 of this title] shall become effective October 1, 1977."

EXEMPTION OF DISASTER PAYMENT LIMITATIONS RESPECTING 1977 CROPS OF WHEAT, FEED GRAINS, UP-LAND COTTON, AND RICE

Pub. L. 95-156, Nov. 8, 1977, 91 Stat. 1264, provided: "That, notwithstanding any other provision of law, the term 'payments' as used in section 101 of the Agricultural Act of 1970, as amended [this section], and section 101(g)(13) of the Agricultural Act of 1949, as amended [section 1441(g)(13) of this title], shall not include any part of any payment which is determined by the Secretary of Agriculture to represent compensation for

disaster loss with respect to the 1977 crops of wheat, feed grains, upland cotton, and rice.”

§ 1308. Payment limitations

(a) Definitions

In this section through section 1308-5 of this title:

(1) Covered commodity

The term “covered commodity” has the meaning given that term in section 1001 of the Food, Conservation, and Energy Act of 2008 [7 U.S.C. 8702].

(2) Family member

The term “family member” means a person to whom a member in the farming operation is related as lineal ancestor, lineal descendant, sibling, spouse, or otherwise by marriage.

(3) Legal entity

The term “legal entity” means an entity that is created under Federal or State law and that—

- (A) owns land or an agricultural commodity; or
- (B) produces an agricultural commodity.

(4) Person

The term “person” means a natural person, and does not include a legal entity.

(5) Secretary

The term “Secretary” means the Secretary of Agriculture.

(b) Limitation on payments for covered commodities (other than peanuts)

The total amount of payments received, directly or indirectly, by a person or legal entity (except a joint venture or general partnership) for any crop year under sections 1116 and 1117 [7 U.S.C. 9016, 9017] and as marketing loan gains or loan deficiency payments under subtitle B of title I of the Agricultural Act of 2014 [7 U.S.C. 9031 et seq.] (other than for peanuts) may not exceed \$125,000.

(c) Limitation on payments for peanuts

The total amount of payments received, directly or indirectly, by a person or legal entity (except a joint venture or general partnership) for any crop year under sections 1116 and 1117 [7 U.S.C. 9016, 9017] and as marketing loan gains or loan deficiency payments under subtitle B of title I of the Agricultural Act of 2014 [7 U.S.C. 9031 et seq.] for peanuts may not exceed \$125,000.

(d) Limitation on applicability

Nothing in this section authorizes any limitation on any benefit associated with the forfeiture of a commodity pledged as collateral for a loan made available under subtitle B of title I of the Agricultural Act of 2014 [7 U.S.C. 9031 et seq.] or title I of the Agricultural Act of 2014 [7 U.S.C. 9001 et seq.].

(e) Attribution of payments

(1) In general

In implementing subsections (b) and (c) and a program described in paragraphs (1)(C) and (2)(B) of section 1308-3a(b)¹ of this title, the

Secretary shall issue such regulations as are necessary to ensure that the total amount of payments are attributed to a person by taking into account the direct and indirect ownership interests of the person in a legal entity that is eligible to receive the payments.

(2) Payments to a person

Each payment made directly to a person shall be combined with the pro rata interest of the person in payments received by a legal entity in which the person has a direct or indirect ownership interest unless the payments of the legal entity have been reduced by the pro rata share of the person.

(3) Payments to a legal entity

(A) In general

Each payment made to a legal entity shall be attributed to those persons who have a direct or indirect ownership interest in the legal entity unless the payment to the legal entity has been reduced by the pro rata share of the person.

(B) Attribution of payments

(i) Payment limits

Except as provided in clause (ii), payments made to a legal entity shall not exceed the amounts specified in subsections (b) and (c).

(ii) Exception for joint ventures and general partnerships

Payments made to a joint venture or a general partnership shall not exceed, for each payment specified in subsections (b) and (c), the amount determined by multiplying the maximum payment amount specified in subsections (b) and (c) by the number of persons and legal entities (other than joint ventures and general partnerships) that comprise the ownership of the joint venture or general partnership.

(iii) Reduction

Payments made to a legal entity shall be reduced proportionately by an amount that represents the direct or indirect ownership in the legal entity by any person or legal entity that has otherwise exceeded the applicable maximum payment limitation.

(4) 4 levels of attribution for embedded legal entities

(A) In general

Attribution of payments made to legal entities shall be traced through 4 levels of ownership in legal entities.

(B) First level

Any payments made to a legal entity (a first-tier legal entity) that is owned in whole or in part by a person shall be attributed to the person in an amount that represents the direct ownership in the first-tier legal entity by the person.

(C) Second level

(i) In general

Any payments made to a first-tier legal entity that is owned (in whole or in part)

¹ See References in Text note below.