

## **How to Make the Check-off Work for You**

The check-off system is supposed to make collecting KAP membership fees as easy as possible. But it works best when it's used properly.

Save the exemption report file (either in Excel or Notepad format) on your desktop, where it's accessible.

Finding a producer should be easy. Use the find/search function (which can be indicated in the program by a pair of binoculars) to find either a permit book number or a last name. If the first result the computer gives you isn't the person you're looking for, simply click "find again."

## **Trouble Shooting**

If the program doesn't open or work for you in Excel format, your program may not be compatible with ours. You can get the report in Notepad, which should fix the problem.

If you can't find the search function, someone from our office would be happy to talk you through the process.

If a producer feels he or she should not have deductions made, but their name isn't on the list, you can also pass that information along to us.

## **What is KAP?**

Keystone Agricultural Producers is a provincial farm policy organization, consisting of Manitoba farmers and Manitoba commodity groups, that represents and promotes the interests of Manitoba agriculture and agricultural producers provincially and nationally.

Our strength is in our democratic structure, through which members elect their representatives in 12 districts. Resolutions and KAP policy is developed and voted on by farmers. If a producer wants to change our policy, the best way to do that is to become a member!

Most commodities grown in Manitoba are also represented by our group members. For a complete listing, visit [www.kap.mb.ca/links.htm](http://www.kap.mb.ca/links.htm).

## **Questions?**

If you have a question about KAP or the check-off membership system, please contact our office.

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# **Checking Out the Check-off System**



**The Voice of  
Manitoba Farmers**

[www.kap.mb.ca](http://www.kap.mb.ca)

*We realize some purchasers have questions about the check-off and the exemption reports. We hope this brochure will help answer some of those questions.*

## **About KAP Membership Fees**

KAP's membership is \$157.50, including GST. It can be paid in two ways:

- a prepaid membership cheque for the entire amount can be mailed to the KAP office; or
- Check-off

The check-off collects 0.75% of the net commodity delivered, up to \$157.50. Milk and pork producers can have the full membership deducted from their deliveries at the beginning of the KAP fiscal year.

## **Why the Check-Off System?**

The check-off is an easy way for farmers to pay their membership fees, without having to pay the entire amount all at once.

Legislation allowing for a check-off was passed in 1996, and that's why it's mandatory unless the farmer is exempt, an opt-out, or already fully-paid.

Because it is provincial law, all designated purchasers must deduct.

## **KAP Classifications**

There are *four* classifications that a producer can fall under. They are:

- **Unpaid Member** - This is the only group that deductions should be made from. They are KAP members who have not yet reached the \$157.50 fee. They will not appear on the exemption report.
- **Paid Member** - These farmers have either prepaid their membership, or have already reached \$157.50 through check-off, and are not subject to deductions. Most will have a KAP membership card. If a producer has a current card, you don't have to deduct, if this option is available on your computer system.
- **Opt-outs** - These producers have written us a letter stating they don't want to be a KAP member. They should be included on your exemption report and are not subject to deductions. Opt-out status is valid for two years, as outlined in provincial legislation. After two years, they must write us a letter confirming their opt-out status for the next two years. We send out reminders when the opt-out status has expired.
- **Exempt** - Farmers can be exempt from check-off for a variety of reasons. They may be winding down an estate or paying through another ID number. Exempt farmers will be included on your exemption report and are not subject to deductions.

## **The Membership Fee Process**

By the 15th of every month, fees from the previous month are submitted to the KAP office from your company. For example, January fees would be submitted by February 15.

Following this example, by February 28 these things would happen:

- membership cards for farmers who reached the \$157.50 fee are mailed out. They are included in your next month's exemption report.
- refunds for paid members are issued if membership fees are accidentally taken and the balance in their account is \$50 or more.
- If money is accidentally deducted from opt-outs or exempt farmers, the balance is carried forward. Every three months, overpaid balances over \$50 are refunded. Balances under that amount are refunded on November 30, KAP's year-end.