

Meant  
to be  
**Broken**



AMERICAN EGG BOARD



# Understanding Your Checkoff Assessment Webinar

*November 7, 2024*



**Welcome!**



# New Assessment Guidance



**Meant  
to be  
Broken**

the  
**INCREDIBLE EGG**

# 2024 Guidance Update



- Goal: A level playing field for all producers
- Goal: Every eligible egg is assessed, but not more than once
- The industry has evolved since the Act and Order were written in 1976
  - New business models



# Collecting Handler Report



**Meant  
to be  
Broken**

**the  
INCREDIBLE EGG**

# Definition of Saleable Eggs

- **Saleable Eggs** are eligible for assessments and are defined as:
  - Sizes Super Jumbos, Jumbos, Extra Large, Large, Medium, Small, and Peewee
  - Grades AA, A, B, and C
  - Dirts and Checks (sometimes referenced as Dirties and Chexs)
  - Breaking stock
  - Gradable nest run
  - All forms of shell eggs and further processed eggs/egg products (anything other than organic production)

# Producer Handler and Collecting Handler Definitions



- **Producer Handler:** Egg farmers / producers (owners) that process, prepare for marketing, and/or market saleable eggs\* or export saleable eggs from their own production
- **Collecting Handler:** Egg companies that are the first entity to whom saleable eggs are sold, consigned, or delivered by egg farmers / producers and who then grade, carton or break eggs, or sell them as nest run, breaking stock, or in any other saleable format. Collecting Handlers can also own their own eggs.



# Full Completion of the Assessment Form is Important



NOTE: PLEASE COMPLETE AND RETURN THIS REPORT #  
ACCOUNTING PERIOD BEGINNING

WITHIN 15 DAYS OF THE END OF THE  
AND ENDING TO:

AMERICAN EGG BOARD

I.D. NUMBER

<p>ABC Egg Company</p>
------------------------

CASES HANDLED  
THIS REPORTING  
PERIOD

(2) LESS NONASSESSABLE CASES HANDLED AS FOLLOWS:

A HATCHERY FLOCK	B FLOCKS _____ OR LESS	C IMPORTED	D PREVIOUSLY ASSESSED
20,000	50,000	0	30,000

(3) TOTAL CASES SUBJECT TO ASSESSMENT—MUST EQUAL LINE (5) BELOW

**NOTE: PRODUCTION ELIGIBLE FOR EXEMPTION  
MUST HAVE EXEMPTION CERTIFICATES ON FILE  
WITH AEB OR THE HANDLER MUST ASSESS IT.**

**TOTAL ASSESSMENT DUE**  
LINE (3) X \$0.10

(1) TOTAL FROM  
ALL SOURCES

(1)

500,000

(2)

TOTAL A + B + C + D  
100,000

(3)

LINE (1-2)  
400,000

(4)

\$40,000

# Review of Current Assessments



PRODUCERS' NAMES, ADDRESSES AND NUMBERS FROM WHOM ASSESSABLE EGGS WERE PURCHASED LIST ANY CHANGES OR ADDITIONS BELOW OR ON REVERSE SIDE	NUMBER OF ASSESSABLE CASES
Previously Assessed Cases: EFG Inc.	30,000
Purchased Cases:	
ABC Inc.	300,000
DEF LLC	50,000
XYZ Cooperative	50,000
TOTAL CASES SUBJECT TO ASSESSMENT AS LISTED BY PRODUCER ABOVE → (5) THIS TOTAL MUST EQUAL LINE (3)	400,000

# The report can match your accounting period



Assessment accounting calculation options

- Calendar month
- 4-week months with 13 payments
- 4-4-5 accounting periods

To request a change in reporting contact the AEB Finance Team at [assessments@aeb.org](mailto:assessments@aeb.org)

# Payment Options



**Payment via ACH:** AEB encourages producer / handlers to remit their monthly assessments to AEB using ACH. Please contact the AEB Finance Team at [assessments@aeb.org](mailto:assessments@aeb.org) to request the necessary ACH information for submission.

**Payment via Check:** Address all assessment check payments to:  
American Egg Board  
PO Box 4770  
Carol Stream, IL 60197-477

**Copy of completed assessment form needs to accompany the payment**

# Late Payments



Late Payment Penalty – Effective September 1, 2024

Rate – 1.5% per month once 30 days past due

Invoicing from AEB separately for these charges and **payment will need to be made separately from your assessment payment.**



# Exemptions



**Meant  
to be  
Broken**

the  
**INCREDIBLE EGG**

# Exemptions Process



Exemptions need to be submitted on an annual basis to AEB

Please complete any unsubmitted exemptions for 2024 **before the end of the calendar year**

Starting in 2025, the exemption process will be initiated at the start of each new calendar year with a **due date to AEB of March 1st.**

**Exemption Forms can be found at:**

<https://www.incredibleegg.org/assessmentguidance/>

**Exemptions can be emailed to:**

[assessments@aeb.org](mailto:assessments@aeb.org)

# Size Exemption guidelines



**Size Exemption Producers** are exempt from paying assessment, if they own 75,000 or less laying hens during a 3-consecutive month period and are not selling in the **aggregate** with other producers.

If the Size Exempt Producer provides eggs to a legal entity that combines eggs with other exempt producers for sale, **if the aggregate of that entity (i.e., family partnership, cooperative, corporation) is greater than 75,000 hens**, then the entity is responsible for submitting assessment to AEB

# Organic Exemption Guidelines



**Certified Organic Producers** are exempt from assessment

- Must have a current and valid Organic Exemption Request Form
- Requires a copy of the producer's organic handling operation certificate

Producers may choose to voluntarily remit assessments to support the efforts of AEB:

- Demand-building work on behalf of the U.S. egg industry
- Opportunity to serve on the AEB's committees or Board of Directors.

# Assessment Audits



**Meant  
to be  
Broken**

**the  
INCREDIBLE EGG**



# Restart Compliance Audits



- The Egg Order provides for verification of assessments and exemptions
- Information subject to audit:
  - Number of cases of eggs handled.
  - Number of cases of eggs on which an assessment was collected.
  - Name and address of person(s) from whom any assessment was collected.
- Producer Handlers, Collecting Handlers, and Producers selected for field audits will be notified in writing.

# Conclusion



**Meant  
to be  
Broken**

**the  
INCREDIBLE EGG**



# Key Takeaways from this Webinar

- Full Completion of the Collecting Handler Form
- Timely payment of monthly assessments by ACH will avoid late payment penalties
- Exemptions need to be updated for both 2024 and annually thereafter
- All questions can be sent by email to: [assessments@aeb.org](mailto:assessments@aeb.org)
- All forms and the Guidance policy can be found at: <https://www.incredibleegg.org/assessmentguidance/>

Meant  
to be  
**Broken**

**Thank you!**



AMERICAN EGG BOARD