

INSTRUCTIONS FOR COMPLETING FORM FH-1

1. Print or type in black or dark blue ink.
2. Complete first handler name and address section.
3. Complete month of purchase and county pecans grown section.
4. Indicate whether one or multiple pages.
5. If this report is a corrected report, check box.
6. In column 1, write the name of the pecan grower (name on the sales receipt).
7. In column 2, indicate whether the pecans are native (N) or improved (I).
8. In column 3, write the number of pounds of pecans in the transaction.
9. In column 4, write the amount of the assessment. Calculate by multiplying the number of pounds by \$.005.
10. Total the assessment in column 4 and write at the bottom of column 4.
11. If no transactions were made for the month, indicate by writing zeros in columns 1-4.
12. In the certification section, print the name of the person making the report. Print his/her title, telephone number and signature date.
13. In the certification section, the person making the report shall then affix his/her signature.
14. Mail the form and remit the amount of the assessments and any exemption certificates collected to: Texas Pecan Board

P.O. Box 5976
Bryan, TX 77805-5976

DEFINITIONS AND CLARIFICATIONS:

- Any sale of Texas pecans by a qualified grower shall be reported to the Texas Pecan Board.
- An exempt grower is one who has less than 15 acres of pecan trees or less than 500 trees. An exempt grower may file an exemption certificate with the first handler at the time of sale or with the Texas Pecan Board.
- A qualified grower is one who has 15 acres or more of pecan trees and 500 pecan trees or more. A qualified grower is required by law to pay 1/2 cent per lb. of pecans sold or transferred to a processor or pool.
- The first handler is the first party to purchase the pecans from the grower. If a grower retains ownership of the pecans, as in the case of custom shelling or a pool, the first handler is the sheller or pool receiver. The assessment is triggered when the pecans are first processed or shelled, and the first handler shall then report and remit the assessment.
- The first handler is required by law to collect (or deduct from the sale) an assessment from the grower of 1/2 cent per pound of pecans.
- The grower pays the assessment — the first handler is responsible for collecting, reporting and remitting the assessment to the Texas Pecan Board.
- The first handler submits the "FIRST HANDLER'S MONTHLY REPORT FORM OF PECANS PURCHASED" — Form FH-1 to the Texas Pecan Board by the 10th of the month following the month that the transaction occurred.

CHECK LIST FOR A FIRST HANDLER:

At the time of the sale, inform the grower that you are required and will be deducting 1/2 cent per lb. from the trade price. If the grower claims to be an exempt grower, the first handler can protect himself by having the grower sign an exemption certificate.

Provide the grower with a sales receipt that clearly shows the deduction of 1/2 cent per lb. — net the deduction from the price paid to the grower.

On the 10th of the month following the month of the transaction, submit Form FH-1 showing each transaction made. Include with Form FH-1 the total amount of collections made. If no transactions occurred, submit Form FH-1 to the TPB with zeros.