

§ 781.4

7 CFR Ch. VII (1-1-01 Edition)

(c), or (d) of this section ceases to be a foreign person, such person must submit, not later than 90 days after the date such person ceases being a foreign person, a written notification of the change of status of the person to the FSA office where the report form FSA-153 was originally filed. The notification must contain the following information:

- (1) The legal name of such person;
- (2) The legal description and acreage of such land;
- (3) The date such person ceases to be foreign.

(k) Any foreign person who submitted a report under paragraph (b), (c), or (d) of this section must submit, not later than 90 days after the change of information contained on the report, a written notification of the change to the FSA office where the report form FSA-153 was originally filed. The following information must be kept current on the report:

- (1) The legal address of such foreign person;
- (2) The legal name and the address required to be submitted under (f)(1) of this section;
- (3) The legal name and the address required to be submitted under (g)(1) of this section.

[49 FR 35074, Sept. 6, 1984, as amended at 51 FR 25993, July 18, 1986]

§ 781.4 Assessment of penalties.

(a) Violation of the reporting obligations will consist of:

- (1) Failure to submit any report in accordance with § 781.3;
- (2) Failure to maintain any submitted report with accurate information; or
- (3) Submission of a report which the foreign person knows:
 - (i) Does not contain, initially or within thirty days from the date of a letter returning for completion such incomplete report, all the information required to be in such report; or
 - (ii) Contains misleading or false information.

(b) Any foreign person who violates the reporting obligation as described in paragraph (a) of this section shall be subject to the following penalties:

- (1) Late-filed reports: One-tenth of one percent of the fair market value, as

determined by the Farm Service Agency, of the foreign person's interest in the agricultural land, with respect to which such violation occurred, for each week or portion thereof that such violation continues, but the total penalty imposed shall not exceed 25 percent of the fair market value of the foreign person's interest in such land.

(2) Submission of an incomplete report or a report containing misleading or false information, failure to submit a report or failure to maintain a submitted report with accurate information: 25 percent of the fair market value, as determined by the Farm Service Agency, of the foreign person's interest in the agricultural land with respect to which such violation occurred.

(3) Penalties prescribed above are subject to downward adjustments based on factors including:

- (i) Total time the violation existed.
- (ii) Method of discovery of the violation.
- (iii) Extenuating circumstances concerning the violation.
- (iv) Nature of the information misstated or not reported.

(c) The fair market value for the land, with respect to which such violation occurred, shall be such value on the date the penalty is assessed, or if the land is no longer agricultural, on the date it was last used as agricultural land. The price or current estimated value reported by the foreign person, as verified and/or adjusted by the County Agricultural Stabilization and Conservation Committee for the County where the land is located, will be considered to be the fair market value.

§ 781.5 Penalty review procedure.

(a) Whenever it appears that a foreign person has violated the reporting obligation as described in paragraph (a) of § 781.4, a written notice of apparent liability will be sent to the foreign person's last known address by the Farm Service Agency. This notice will set forth the facts which indicate apparent liability, identify the type of violation listed in paragraph (a) of § 781.4 which is involved, state the amount of the penalty to be imposed, include a statement of fair market value of the foreign person's interest in the subject