Frequently Asked Questions (FAQ) for Michigan Feed Inspection & Tonnage Fee Report (ITFR)

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General Questions

1. Who do I contact for additional assistance?

Email or Call: Josh Grant, Departmental Technician

MDARD-AnimalFeed@Michigan.gov, 517-614-1606

2. What is the Inspection & Tonnage Fee (ITF)?

The Feed Law, Act No. 120, as amended, Section 6 requires an ITF of $0.30 per ton, and $0.15 per ton on wet-by products, to be paid annually for commercial feed and feed ingredients distributed in Michigan (MI). Commercial feed or feed ingredients manufactured in MI sold/distributed outside of MI are not subject to MI ITF. These fees are used to pay for the inspection and sampling activities of the Animal Feed Program (AFP).

3. Can you explain what products are exempt from paying ITF?

- Whole seeds and physically altered whole seeds are exempt, provided that the whole seeds and physically altered whole seeds are not mixed, chemically altered, or adulterated.
- The Feed Law also specifically exempts hay, straw, silage, cobs, husks, etc., that has undergone the normal harvest process, is not intermixed, or chemically changed.
- Individual chemical compounds (e.g., salt). Trace mineral salt would not be exempt.
- Feed provided to contract feeders that is manufactured by integrated operators and that is not adulterated.
- Unmixed meat, poultry, fish, and other portions of animal carcasses sold in their raw/natural state without further processing or packaging if not adulterated and the products are not intended for commercial feed or for use as feed ingredients.

4. How do I report the ITF?

This information is reported using the Michigan Feed Inspection and Tonnage Fee Report (ITFR) form. MDARD provides the form as follows:

- An electronic ITFR form is available on our website www.michigan.gov/mdard-feed.
- A PDF ITFR form is available for printing on our website.
- A paper copy of the ITFR form is mailed to MI licensed firms to the mailing address on file.

5. When is the ITFR form due?

The ITFR must be postmarked by July 31st of the current year.

6. What is the reporting period for the ITFR form?

June 30th of the previous year -July 1st of the current year.

7. How long do I need to maintain ITF records?

Two years. MDARD may examine the records to verify statements of tonnage.

8. Why won't my form print correctly? Why do some pages print onto the next page? Why does only one page print instead of all the pages?

Microsoft Excel is a Windows-based program. If you are using a Mac computer, we recommend switching to a PC. While we cannot troubleshoot all issues, here are a couple of ways to address printing difficulties:

1. Click File > Print.
2. Under Settings, click the dropdown arrow and select "Print Entire Workbook." (You might see "Print Active Sheets.")
3. In the very bottom box, be sure that "Fit Sheet on One Page" is selected.

Print Preview should now show that your document will print correctly. If not, you may need to contact your IT Department or Technical Support.

9. Who is responsible for paying ITF?

An inspection fee must be paid on commercial feed distributed in this state by the person whose name appears on the label as the manufacturer, guarantor, or distributor, except that a person other than the manufacturer, guarantor, or distributor may assume responsibility for the inspection fee, subject to the following:

a. If more than 1 person is involved in the distribution of commercial feed, the last person that is required to be licensed and that distributes to a non-licensee is responsible for reporting the tonnage distributed and paying the inspection fee.

10. If more than one person is involved in the distribution of commercial feed/feed ingredients, who is responsible for paying the ITF?

- **Example 1:** Firm ABC Company is a MI Licensed commercial feed ingredient manufacturer. Firm ABC Company sells soybean meal to a MI Licensed feed mill, Firm XYZ. Firm XYZ Feed Mill uses the soybean meal to manufacture dairy feed. Firm XYZ Feed Mill sells dairy feed to IMA Dairy Farm. Firm XYZ Feed Mill is the last licensee selling to a non-licensee and is responsible for paying the ITF. It is strongly recommended that firms have a fee agreement clarifying who is paying the ITF when more than one person is involved in the distribution of commercial feed. (Refer to Claimed Inspection and Tonnage Fee Exemption, Question 27, if your firm has an Inspection & Tonnage Fee Agreement.)

- **Example 2:** Firm ABC Company is a MI Licensed commercial feed ingredient manufacturer. Firm ABC Company sells soybean meal to IMA Dairy Farm. Firm ABC Company is the last licensee selling to a non-licensee and is responsible for paying the ITF.

- **Example 3:** Firm XYZ Feed Mill is a MI Licensed feed mill that manufactures animal feed and makes retail sales of bagged feed manufactured and labeled by Moe Feeds. Firm XYZ Feed Mill is required to have a MI feed license because they are a MI manufacturer and because they serve as the guarantor based on their name appearing on their feed label. Moe Feeds is required to have a MI feed license because they serve as the guarantor, based on their name appearing on their feed label. Moe Feeds is responsible for reporting and paying ITF on Moe Feeds products. Remember, the ITF must be paid on commercial feed distributed in this state by the person whose name appears on the label as the guarantor. XYZ Feed Mill is responsible for reporting and paying the ITF on XYZ Feed Mill feed products. It is strongly recommended that firms have a fee agreement clarifying who is paying the ITF when more than one person is involved in the distribution of commercial feed. (Refer to Claimed Inspection and Tonnage Fee Exemption, Question 27, if your firm has an Inspection & Tonnage Fee Agreement.)

11. Who is required to be licensed?

Per the Feed Law, the following persons shall obtain a license under the act:

- A manufacturer of commercial feed for each facility in this state used to manufacture commercial feed.
- A person, other than a manufacturer, that distributes commercial feed within this state or that serves as guarantor of commercial feed distributed within this state.

Pet Treat & Small Quantity Manufacturers

12. How do I complete the ITFR form if I only manufacture small quantities of commercial feed/feed ingredients or pet treats?

Example: I manufactured 100 pounds of pet treats, and I did not distribute anything out of MI.

- Complete Section A

- Complete Section B (If completing the electronic form, calculations will occur automatically)
    - Online [7], enter .05 tons (100/2000) To calculate pounds of feed to tons of feed: Divide the pounds of feed by 2000. Note: If < .5 the form will round to zero, if >.5 the form will round to 1
    - Online [9], enter 0
    - Follow the instructions online [10]

- Sections C, D, E, F, and G are not applicable and should be completed with zeros
- Complete Section H (If completing the electronic form, calculations will occur automatically
    - Follow the instructions on Lines [22] through [26]
    - Online [27], subtract Line [26] from Line [25] and transfer the amount to Line [28] in Section I
- Complete Section I (If completing the electronic form, calculations will occur automatically)
    - Multiply Line [28] by Fee per Ton and enter the amount online [30]
    - Transfer amount from line [30] to Line [32]
    - Line [33] If any tons have been reported online [28] your firm must pay a $50.00 minimum fee or the amount online [32], enter whichever is greater here. If zero tons have been reported enter zero.
    - Line [34] A late fee is assessed for any report not postmarked by the July 31 deadline. ONLY IF APPLICABLE, enter a late fee of $50.00 or 10% of the total amount due, whichever is greater.
    - Add Lines [33] and [34] and enter the amount online [35]
- Complete Section J
    - If zero tons have been reported, you must complete this section. If a zero report is submitted and section J has not been completed, you may be subject to audit.
- Complete Section K

13. What is the difference between a pet and a specialty pet?

Pet refers to dogs and cats. Specialty pet refers to any non-canine or non-feline domesticated animal kept as a pet and normally confined to and maintained in a cage or tank within the owner's domicile, including, but not limited to gerbils, hamsters, canaries, psittacine birds, mynahs, finches, tropical fish, goldfish, snakes, and turtles.

Species Tables

14. How do I complete the species tables, "Enter the approximate percentage of each type of commercial feed/feed ingredients"?

Simply enter the percentage of commercial feed/feed ingredients your firm manufactures or distributes in the row for each species. The total online [8] will calculate as you enter the percentages. The final total should equal 100%. If you manufacture/distribute an ingredient that is for further mixing and may be used for multiple species, enter the percentage in the "Miscellaneous (Specify):" space and type in the feed ingredient name.

[8]	In the table below, enter the approximate percentage of each type of commercial feed and feed ingredients your firm manufactures. Total of both columns will equal 100%.			[8]	100%

Commercial Feed & Ingredients		%	Commercial Feed & Ingredients		%
Beef	[8a]	25%	Pet	[8g]	
Calf Milk Replacers	[8b]		Sheep	[8h]	
Chicken	[8c]	25%	Specialty Pet	[8i]	
Dairy	[8d]	25%	Swine	[8j]	25%
Equine	[8e]		Turkey	[8k]	
Fish	[8f]		Miscellaneous (Specify):	[8l]	

Customer-Formula Feed

15. What is a customer-formula feed?

It is a commercial feed that consists of a mixture of commercial feeds or feed ingredients, each batch of which is manufactured according to the specific instructions of the final purchaser AND the customer-formula feed label provides the quantity of each commercial feed and feed ingredient used in the mixture to the customer.

16. Is customer-formula feed exempt from paying the ITF?

Yes and No. An ITF must be paid on the commercial feeds that are used as ingredients within the customer-formula feed. An ITF is not required to pay on other feed ingredients, such as grain bank corn that is used within the customer-formula feed. Although there is no official definition of Grain Bank, it is recognized as customer-provided grain that is held by the feed manufacturer for future use in that customer's feed.

Example: XYZ Feed Mill Manufactured 1000 tons of customer-formula feed. They utilized 800 tons of corn and oats and 200 tons of commercial feed ingredients.

- Complete Section A
- Sections B, C, E, F, and G are not applicable and should be completed with zeros
- Complete Section D (*If completing the electronic form, calculations will occur automatically)*
  - Online [13], enter 1000
  - Online [15], enter 800
  - Follow the instructions online [16]
- Complete Section H (*If completing the electronic form, calculations will occur automatically)*
  - Follow the instructions online [22] through [26]
  - Online [27], subtract Line [26] from Line [25] and transfer the amount to Line

[28] in Section I

- Complete Section I (*If completing the electronic form, calculations will occur automatically)*
  - Multiply Line [28] by Fee per Ton and enter the amount on to Line [30].
  - Add Lines [30] and [31] and enter the amount online [32]
  - Line [33] *You must pay a $50.00 minimum fee or the amount online [32], whichever is greater*
  - Line [34] *A late fee is assessed for any report not postmarked by the July 31 deadline. ONLY IF APPLICABLE, enter a late fee of $50.00 or 10% of the total amount due, whichever is greater*.
  - Add Lines [33] and [34] and enter the amount online [35]
- Complete Section K

17. Will the AFP request labels to verify customer-formula feed?

Yes. During the audit process, you may be asked to provide labels to verify your firm is manufacturing customer- formula feed. Labels should list the quantity of each ingredient. Labels that provide a guaranteed analysis are not considered customer-formula feeds.

18. Is it a customer-formula feed if more than one customer requests the same formula?

It is possible that, by coincidence, more than one customer of a feed mill could have the same formula. Remember that the formula must be developed according to specific instructions by the final purchaser. Feeds manufactured using identical formulas developed or used by the manufacturer for sale to multiple customers are not considered customer-formula feeds and are subject to labeling and ITF requirements of commercial feeds. Likewise, formulas identical to the feed mill's commercial feed formulas are not customer-formula feeds and are subject to the ITF.

Customer-formula feeds provide **the quantity of each commercial feed and feed ingredient** used in the mixture to the customer.

Wet By-Products

19. What are wet by-products?

Feed ingredients that are by-products of manufacturing processes and have a moisture content equal to or greater than 60%

20. Is liquid feed classified as a wet by-product?

No, because liquid feeds are not by-products of manufacturing processes.

21. How do I complete the ITFR form if I manufacture wet by-products?

Example: I manufactured 400,000 tons of wet by-product in MI, and I did not distribute anything out of MI.

- Complete Section A
- Sections B, C, D, F, G, and H are not applicable and should be completed with zeros
- Complete Section E (*If completing the electronic form, calculations will occur automatically)*
  - Online [17], enter 400,000
  - Online [18], enter 0
  - Follow the instructions online [19]
- Complete Section I (*If completing the electronic form, calculations will occur automatically)*
  - Multiply Line [28] by Fee per Ton and enter the amount on to Line [30].
  - Multiply Line [29] by Fee per Ton and enter the amount on to Line [31].
  - Add Lines [30] and [31] and enter the amount online [32]
  - Line [33] *If any tons have been reported on lines [28] or [29] your firm must pay a $50.00 minimum fee or the amount online [32], enter whichever is greater here. If zero tons have been reported enter zero and complete Section J.*
  - Line [34] *A late fee is assessed for any report not postmarked by the July 31 deadline. ONLY IF APPLICABLE, enter a late fee of $50.00 or 10% of the total amount due, whichever is greater*.
  - Add Lines [33] and [34] and enter the amount online [35]
- Complete Section K

SCENARIOS: Examples of how to complete the ITFR

Michigan Commercial Feed/Feed Ingredient Manufacturer Who Distributes Commercial Feed/Feed Ingredients out of MI and/or Within MI

22. How do I complete the ITFR form if my firm manufactures feed ingredients, such as soybean meal? I distribute soybean meal to feed mills in MI and to several feed mills in IN, OH, WI and MN.

Example: I manufactured 200,000 tons of soybean meal; and I distributed 100,000 tons out of MI.

- Complete Section A
- Complete Section B (*If completing the electronic form, calculations will occur automatically)*
  - Online [7], enter 200,000
  - Online [9], enter 100,000
  - Follow the instructions online [10]
- Sections C, D, E, F, and G are not applicable and should be completed with zeros

- Complete Section H (*If completing the electronic form, calculations will occur automatically*
    - Follow the instructions online [22] through [26]
    - Online [27], subtract Line [26] from Line [25] and transfer the amount to Line [28] in Section I
- Complete Section I (*If completing the electronic form, calculations will occur automatically)*
    - Multiply Line [28] by Fee per Ton and enter the amount on to Line [30].
    - Add Lines [30] and [31] and enter the amount online [32]
    - Line [33] *You must pay a $50.00 minimum fee or the amount online [32], whichever is greater*
    - Line [34] *A late fee is assessed for any report not postmarked by the July 31 deadline. ONLY IF APPLICABLE, enter a late fee of $50.00 or 10% of the total amount due, whichever is greater*.
    - Add Lines [33] and [34] and enter the amount online [35]
- Complete Section K

23. How do I complete the ITFR form if my firm manufactures feed ingredients, such as soybean meal? I only distribute soybean meal within MI.

Example: I manufactured 200,000 tons of soybean meal; and I did not distribute anything out of MI.

- Complete Section A
- Complete Section B (*If completing the electronic form, calculations will occur automatically)*
    - Online [7], enter 200,000
    - Online [9], enter 0
    - Follow the instructions online [10]
- Sections C, D, E, F, and G are not applicable and should be completed with zeros
- Complete Section H (*If completing the electronic form, calculations will occur automatically*
    - Follow the instructions online [22] through [26]
    - Online [27], subtract Line [26] from Line [25] and transfer the amount to Line [28] in Section I
- Complete Section I (*If completing the electronic form, calculations will occur automatically)*
    - Multiply Line [28] by Fee per Ton and enter the amount on to Line [30]
    - Add Lines [30] and [31] and enter the amount online [32]
    - Line [33] *You must pay a $50.00 minimum fee or the amount online [32], whichever is greater*
    - Line [34] *A late fee is assessed for any report not postmarked by the July 31 deadline.*

ONLY IF APPLICABLE,
- *enter a late fee of $50.00 or 10% of the total amount due, whichever is greater.*
- Add Lines [33] and [34] and enter the amount online [35]

- Complete Section K

Michigan Commercial Feed/Feed Ingredient Manufacturer

24. How do I complete the ITFR form if I am a typical feed mill?

My firm, Firm XYZ Feed Mill, uses feed ingredients manufactured by many different companies. In addition, I sell bagged feed manufactured by Moe Feed, Ohio.

Firm XYZ Feed Mill is required to have a license in MI because they manufacture feed and serve as the guarantor based on their name appearing on the label. Moe Feed is required to have a license in MI because they serve as the guarantor based on their name appearing on the label.

If Firm XYZ Feed Mill is selling their manufactured feed to IMA Dairy Farm (a non-licensee), Firm XYZ Feed Mill is responsible for reporting and paying the ITF unless they have a fee agreement with the other feed ingredient companies stating who is responsible for paying the ITF on these feed ingredients used by Firm XYZ Feed Mill. (Refer to Claimed Inspection and Tonnage Fee Exemption, Question 27.)

If the bagged feed is labeled with Moe Feed's name, then Firm XYZ Feed Mill is not responsible for reporting and paying the ITF. The ITF must be paid on commercial feed distributed in this state by the person whose name appears on the label as the guarantor.

However, if the bagged feed is labeled "Manufactured for Firm XYZ Feed Mill," then Firm XYZ Feed Mill is responsible for paying the ITF unless they have a fee agreement. (Refer to Claimed Inspection and Tonnage Fee Exemption, Question 27.)

Example: Firm XYZ Feed Mill manufactured 2,000 tons of feed. Firm XYZ Feed Mill also distributed 1,000 tons of feed manufactured by Moe Feeds with labeling on the bag that stated, "Manufactured for Firm XYZ Feed Mill."

Firm XYZ Feed Mill ITFR Form:

- Complete Section A
- Complete Section B (*If completing the electronic form, calculations will occur automatically)*
  - Online [7], enter 2000
  - Online [9], enter 0
  - Follow the instructions online [10]
- Complete Section C

  - Online [11], enter 1000

- Sections D, E, F, and G are not applicable and should be completed with zeros
- Complete Section H (*If completing the electronic form, calculations will occur automatically*
  - Follow the instructions online [22] through [26]
  - Online [27], subtract Line [26] from Line [25] and transfer the amount to Line [28] in Section I
- Complete Section I (*If completing the electronic form, calculations will occur automatically)*
  - Multiply Line [28] by Fee per Ton and enter the amount on to Line [30].
  - Add Lines [30] and [31] and enter the amount online [32]
  - Line [33] *You must pay a $50.00 minimum fee or the amount online [32], whichever is greater*
  - Line [34] *A late fee is assessed for any report not postmarked by the July 31 deadline. ONLY IF APPLICABLE, enter a late fee of $50.00 or 10% of the total amount due, whichever is greater*.
  - Add Lines [33] and [34] and enter the amount online [35]
- Complete Section K

25. How do I complete the ITFR form if I am a feed mill that sells bulk soybean meal, manufactured by Firm ABC Company, directly to IMA Dairy Farm?

That depends on whose name appears on the labeling of soybean meal. Remember, an inspection fee must be paid on commercial feed distributed in this state by the person whose name appears on the label as the manufacturer, guarantor, or distributor, except that a person other than the manufacturer, guarantor, or distributor may assume responsibility for the inspection fee if more than one person is involved in the distribution of the commercial feed.

If Firm ABC Company's name appears on the labeling, then they are required to be licensed and are responsible for reporting and paying the ITF. If Firm ABC Company is a MI manufacturer, they would complete Section B. If Firm ABC Company is an out-of-state manufacturer, then they would complete Section C. In many instances, firms will have a written agreement clarifying who is paying the ITF when both firms have a MI License. (Refer to Claimed Inspection and Tonnage Fee Exemption, Question 27.) If Firm XYZ Feed Mill wants to put their name on the labeling (Manufactured for: Firm XYZ Feed Mill), then Firm XYZ Feed Mill becomes responsible for reporting and paying the ITF. Firm XYZ Feed Mill will complete Section B.

Michigan Licensed Distributor/Retailer or Guarantor Distributing Commercial Feed/Feed Ingredients into MI and/or Within MI

26. I am a MI Licensed distributor/retailer or guarantor whose name appears on product labeling. How do I complete the ITFR Form?

Example: I distributed 100 tons of commercial feed within MI.

- Complete Section A
- Sections B, D, E, F, and G are not applicable and should be completed with zeros
- Complete Section C (*If completing the electronic form, calculations will occur automatically)*
  - Online [11], enter 100
- Complete Section H (*If completing the electronic form, calculations will occur automatically*
  - Follow the instructions online [22] through [26]
  - Online [27], subtract Line [26] from Line [25] and transfer the amount to Line [28] in Section I
- Complete Section I (*If completing the electronic form, calculations will occur automatically)*
  - Multiply Line [28] by Fee per Ton and enter the amount on to Line [30].
  - Add Lines [30] and [31] and enter the amount online [32]
  - Line [33] *You must pay a $50.00 minimum fee or the amount online [32], whichever is greater*
  - Line [34] *A late fee is assessed for any report not postmarked by the July 31 deadline. ONLY IF APPLICABLE, enter a late fee of $50.00 or 10% of the total amount due, whichever is greater*.
  - Add Lines [33] and [34] and enter the amount online [35]
- Complete Section K

Claimed Inspection and Tonnage Fee Exemption

27. What is a Claimed ITF Exemption?

My firm, Firm XYZ Feed Mill, uses feed ingredients (vitamin and mineral premixes) manufactured by Moe Feeds. In addition, I sell bagged feed manufactured by Moe Feeds.

Remember, we discussed in Question 10 who is responsible for paying the ITF if more than one person is involved in the distribution of commercial feed/feed ingredients. The last person who is required to be licensed and who distributes to a non-licensee is responsible for reporting and paying the ITF. Firm XYZ Feed Mill is required to have a license in MI because they manufacture feed. (Refer to Question 11). If Firm XYZ Feed Mill is selling their manufactured feed to the end user (non-licensee), IMA Dairy Farm, Firm

XYZ Feed Mill is responsible for reporting and paying the ITF. If Firm XYZ Feed Mill has a fee agreement with Moe Feed stating Moe Feed is responsible for paying the ITF on Moe Feed Vitamin and Mineral Premix they use in manufacturing, then Firm XYZ Feed Mill would not be responsible for reporting and paying the tonnage on the Moe Feed Vitamin and Mineral Premix.

If the bagged feed is labeled with Moe Feed's name, then Firm XYZ Feed Mill is not responsible for reporting and paying the ITF. Moe Feeds is required to have a MI license because they serve as the guarantor, based on their name appearing on the feed label; and Moe Feeds is responsible for reporting and paying the ITF on the bagged feed.

In this scenario, Firm XYZ Feed Mill has a fee agreement with Moe Feeds and Moe Feed has agreed to pay the ITF for the Moe Feeds Vitamin and Mineral Premixes used in Firm XYZ Feed Mill feeds.

Example: Firm XYZ Feed Mill manufactures 1,000 tons of feed and uses 200 tons of vitamin and mineral feed ingredients manufactured by Moe Feeds. Moe Feeds has a written fee agreement with Firm XYZ Feed Mill that states they (Moe Feeds) will pay the ITF on all Moe Feeds products. Moe Feeds distributed 2000 tons of feed into MI.

<u>Firm XYZ Feed Mill ITFR Form</u>

- Complete Section A
- Complete Section B (*If completing the electronic form, calculations will occur automatically)*
  - Online [7], enter 1000
  - Online [9], enter 0
  - Follow the instructions online [10]
- Sections C, D, E, and G are not applicable and should be completed with zeros
- Complete Section F
  - **Firm Name:** Moe Feed
  - **MI Lic #:** 0234
  - **Street Address, City ST ZIP:** 888 Mixer Lane, Sample OH 23456
  - *Line [20a]: 200*
- Complete Section H (*If completing the electronic form, calculations will occur automatically*
  - Follow the instructions online [22] through [26]
  - Online [27], subtract Line [26] from Line [25] and transfer the amount to Line [28] in Section I
- Complete Section I (*If completing the electronic form, calculations will occur automatically)*
  - Multiply Line [28] by Fee per Ton and enter the amount on to Line [30]
  - Add Lines [30] and [31] and enter the amount online [32]

  - Line [33] *You must pay a $50.00 minimum fee or the amount online [32], whichever is greater*
  - Line [34] *A late fee is assessed for any report not postmarked by the July 31 deadline. ONLY IF APPLICABLE, enter a late fee of $50.00 or 10% of the total amount due, whichever is greater*.
  - Add Lines [33] and [34] and enter the amount online [35]
- Complete Section K

<u>Moe Feeds ITF Form</u>

- Complete Section A
- Complete Section C (*If completing the electronic form, calculations will occur automatically)*
  - Online [11], enter 2000 (includes the 200 tons of vitamin and mineral feed ingredients used by Firm XYZ Feed Mill plus 800 tons of bagged feed labeled with Moe Feeds name that was sold/distributed in MI)
- Sections B, D, E and F are not applicable and should be completed with zeros
- Complete Section G
  - **Firm Name:** Firm XYZ Feed Mill
  - **MI Lic #:** 0000
  - **Street Address, City ST ZIP:** 1234 Example Rd., Anywhere MI 48000
  - *Line [21a]: 200*
- Complete Section H (*If completing the electronic form, calculations will occur automatically*
  - Follow the instructions online [22] through [26]
  - Online [27], subtract Line [26] from Line [25] and transfer the amount to Line [28] in Section I
- Complete Section I (*If completing the electronic form, calculations will occur automatically)*
  - Multiply Line [28] by Fee per Ton and enter the amount on to Line [30].
  - Add Lines [30] and [31] and enter the amount online [32]
  - Line [33] *You must pay a $50.00 minimum fee or the amount online [32], whichever is greater*
  - Line [34] *A late fee is assessed for any report not postmarked by the July 31 deadline. ONLY IF APPLICABLE, enter a late fee of $50.00 or 10% of the total amount due, whichever is greater*.
  - Add Lines [33] and [34] and enter the amount online [35]
- Complete Section K

28. Can you provide an example of a written ITF agreement?

Yes. Although not required, it is strongly recommended that firms have a written agreement to clarify who is paying the ITF.

July 1, 2020

Dear Mr. XYZ Feed Mill Mananger:

Michigan Feed Law requires an Inspection and Tonnage Fee (ITF) on commercial feed and feed ingredients distributed in Michigan. This letter is to specify who will be responsible for paying the ITF. Please check Yes or No to the question below, sign and date, provide your MI Feed License Number, and return this letter.

1) I hold a MI Feed Licesne and I will be responsible for paying the Inspection and Tonnage Fee?
   Yes_____ No_____

By answering Yes, I understand that I will be responsible for paying the ITF for Moe Feed Products.

By answering No, I understand that I will NOT be paying the ITF for Moe Feed Products.

Sincerely,

Moe Feeds
888 Mixer Lane
Sample OH 23456

Moe Feeds

INVOICE

888 Mixer Lane
Sample, OH 23456

INVOICE # 100
DATE 7-1-2020

TO
XYZ Feed Mill
1234 Example Rd.
Anywhere, MI 48000

Description	Amount
Moe Feed Vitamin Mix Lot # 2345A2345	40
Moe Feed Mineral Mix Lot # 9897A9876	40
Total	80

Make all checks payable to Moe Feeds
Payment is due within 30 days.
Moe Feeds Pays All State Inspection and Tonnage Fees

THANK YOU FOR YOUR BUSINESS!