

Indiana Grain Buyers and Warehouse Licensing Agency  
Indiana State Department of Agriculture

## **GRAIN LICENSE REFERENCE GUIDE**

Updated: 02/10/2020

## TABLE OF CONTENTS

1. Disclaimer .....	3
2. Agency Overview .....	4
3. Record Keeping Requirements .....	5
4. Annual Grain License Renewal .....	6

## **1. DISCLAIMER**

The information and resources provided herein are for informational purposes only and should strictly be considered a supplemental source of reference. None of the information and resources outlined, explained, and/or defined within this reference guide shall supersede any State and/or Federal laws. This reference guide shall not be construed as legal advice.

## 2. AGENCY OVERVIEW

### Contact Information

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Physical Address:	One North Capitol Avenue, Suite 600 Indianapolis, IN 46204	Phone:	(317) 232-1360
		Fax:	(317) 232-1362
Mailing Address:	One North Capitol Avenue, Suite 600 Indianapolis, IN 46204	E-mail:	<a href="mailto:ingrainbuyers@isda.in.gov">ingrainbuyers@isda.in.gov</a>
		URL:	<a href="http://isda.in.gov/grain.htm">isda.in.gov/grain.htm</a>

### Main Office Hours of Operation

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Monday – Friday      8:30 AM – 4:30 PM (ET)    *except for State observed holidays*  
Saturday & Sunday    Closed

Visit <https://www.in.gov/spd/2555.htm> for a full list of State observed holidays.

### About

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The Indiana Grain Buyers and Warehouse Licensing Agency (the “Agency”) was established by the State of Indiana General Assembly in 1975 after the collapse of a commercial grain company that left many producers unpaid for their delivered bushels. It serves as a regulatory unit of state government located in the Department of Agriculture. The Agency conducts financial and inventory audits on all grain entities transacting business within the State of Indiana (the “State”). These audits are designed to evaluate and ensure each licensed entity maintains sufficient levels of liquidity and solvency to meet certain financial obligations. Today the Agency has approximately 220 grain licenses issued to commercial elevators, livestock producers, biofuel manufactures, food processors, and grain brokers. Collectively, these licensees operate more than 400 grain facilities across the State.

### Mission

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To ensure the financial integrity of Indiana’s grain marketing infrastructure while enabling the industry to be a competitive, innovative, and efficient business environment for all stakeholders.

### Statutory & Administrative Authority

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The Agency’s statutory authority is defined under [Indiana Code 26-3-7](#), Indiana Grain Buyers and Warehouse Licensing and Bonding Law. The Agency’s administrative authority is defined in [Title 824](#) of the Indiana Administrative Code. The Agency uses both authorities to license and audit all grain entities operating within the State. Furthermore, both authorities specifically outline the requirements all grain entities must follow when transacting business within Indiana.

### Privacy Policy

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The Agency understands the importance of protecting the private information it collects about all of its licensed entities. [Indiana Code 26-3-7-6.5](#) within the Indiana Grain Buyers and Warehouse Licensing and Bonding Law, and the State of Indiana Access to Public Records Act ([Indiana Code 5-14-3](#)), specifically outlines the type of information the Agency may and may not disclose about its licensed entities.

### **3. RECORD KEEPING REQUIREMENTS**

#### **A. OPERATIONAL RECORDS**

The holder of any grain license issued by the Agency (“licensee”) is required by State statute to maintain current and complete records with respect to all agricultural commodities delivered to, withdrawn from, and received, stored, or processed by any and all of its licensed facilities.

##### Inventory Report or Daily Position Record (DPR)

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All licensees must use and maintain a perpetual inventory record or daily position report (DPR). All inventory records must be updated daily and show the following information:

1. The total quantity of each kind and grade of grain received.
2. The total quantity of each kind and grade of grain loaded out.
3. The quantity of each kind and grade of grain remaining by:
  - a. the amount and kind of grain in storage but owned by producers; and
  - b. the amount and kind of grain owned by the licensee.

If a licensee operates more than one (1) licensed facility within Indiana, a separate inventory record should be kept for each individual facility.

A licensee’s daily inventory reports are subject to inspection and review by the Agency at any time. Furthermore, all licensees are required to submit a copy of their respective daily inventory report(s), dated the last day of the licensee’s fiscal year end, when applying for relicensure.

#### **B. RECORDS RETENTION POLICY**

All licensees are required to keep complete and correct records and accounts pertaining to their respective grain business. All records and accounts must be kept in a safe place for not less than six (6) years from the date of the final settlement of the transaction. ([Indiana Code 26-3-7-28](#))

## 4. ANNUAL GRAIN LICENSE RENEWAL

All grain licenses issued by the Agency are valid for one year. A licensee who plans to continue transacting grain business within Indiana must renew its license annually. This chapter outlines the statutory requirements a licensee must fulfill in order to maintain the rights and responsibilities associated with its grain license.

### A. APPLYING FOR RELICENSURE

#### Required Documents

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All documents identified within this subsection (henceforth “required documents”) must be submitted to the Agency in order for a licensee to be considered for relicensure. A licensee failing to submit all of the required documents in a timely manner will: (1) be assessed all applicable late fees and/or (2) result in the expiration of its grain license.

#### Document No. 1 Annual License Renewal Application

The Agency issues four different types of grain licenses. The type of license being renewed will affect the state form a licensee must submit when applying for relicensure. Table 4.1 (right) list each grain license and its respective required state form. To make sure the correct state form is being submitted, match the license type printed in the top left corner of the form with the license type printed on the grain license being renewed. The following directions are applicable to completing all four (4) state forms.

Table 4.1 Grain License Renewal Forms

Type of Grain License	State Form No.
Warehouse	18789
Grain Bank	48455
Grain Buyer	48456
Buyer/Warehouse	48457

- Section A: Complete this section to confirm the telephone number, fax number, mailing address, and e-mail address the licensee would prefer the Agency to contact regarding the status of its grain license. This section must be completed even if the licensee believes none of the aforementioned contact information has changed since its previous license renewal.
- Section B: Complete this section to confirm the licensee’s business structure. A Cooperative, Limited Liability Company (LLC), or S-Corporation should indicate “Other” and specify the type of business structure. If the licensee’s business structure has changed since its previous license renewal, it must also submit hardcopies of its new structure with this form.
- Section C: Verify the dates shown in this section indicate the licensee is applying for its grain license to be renewed for another twelve month period – expiring ninety calendar days after the licensee’s fiscal year end.
- Section D: Refer to Document No. 5 within this subsection for further information on determining a licensee’s annual renewal fee.
- Section E: Refer to section B of this chapter for further information on determining a licensee’s minimum net worth requirements.
- Section F: Refer to section B of this chapter for further information on determining a licensee’s minimum bond requirements.

Section G: This form must be signed by an authorized representative of the licensee to be considered complete and accepted by the Agency.

**Document No. 2** Indiana Operating Facility Listing Form

The Operating Facility Listing form is provided to each licensee by the Agency's main office. This form is unique to each licensee as it itemizes the location and total bushel capacity for each facility operating under a grain license. The form serves as a communication tool between the Agency and its licensees. If any of the information stated on this form has changed or does not accurately represent the facilities listed, the licensee should write any amendments and/or comments it believes to be necessary directly on this form. This form must be signed by an authorized representative of the licensee to be considered complete and accepted by the Agency.

**Document No. 3** Financial Profile State Form (No. 1349)

The Financial Profile state form is the same for all licensees applying for relicensure. This form must be submitted with the licensee's current reviewed level, or better, financial statements (see Document No. 4 within this subsection for more information). It is very important for all licensees to properly complete and submit the Financial Profile State Form as it helps the Agency keep all of the information accompanied with it confidential.

The following directions are applicable to complete all sections of this form.

Section A: Complete this section to confirm the telephone number, fax number, and mailing address the licensee would prefer the Agency to contact regarding its financial statements. This section must be completed even if the licensee believes none of the aforementioned contact information has changed since its previously submitted Financial Profile.

Section B: Complete this section to confirm the licensee's business structure, fiscal year end date, and initial date of business structure. A Limited Liability Company (LLC) or S-Corporation should indicate "Other" and specify the type of business structure. If the licensee's business structure has changed since its previously submitted Financial Profile, it must also submit hardcopies of its new structure with this form.

Section C: Complete this section to confirm the licensee's primary business model and accounting method. Principal Business Activities (select only one) should match the licensee's grain license type. Business Type (select all that apply) should reflect the specific market concentration(s) of the licensee. Accounting Basis (select only one) should indicate the licensee's method of accounting.

Section D: If the business structure of a licensee is organized as a **SOLE PROPRIETORSHIP**, the owner's name, address, title, and percent of ownership must be identified here.

If the business structure of a licensee is organized as a **PARTNERSHIP**, the name, address, title, and percent of ownership for each partner must be identified here. A separate sheet of paper may be attached to this form to provide the aforementioned information, if necessary.

If the business structure of a licensee is organized as a **COOPERATIVE, LIMITED LIABILITY COMPANY (LLC), or CORPORATION**, the name, address, and title for each director and/or officer must be identified here. A separate sheet of paper may be attached to this form to provide the aforementioned information, if necessary.

Section E: This form must be signed by an authorized representative of the licensee to be considered complete and accepted by the Agency.

**Document No. 4** Current Reviewed Level Financial Statements as outlined in Indiana Code 26-3-7-6.1(b)

A licensee must submit to the Agency a current review level, or better, financial statement. The financial statement must reflect the licensee’s financial situation for its previous fiscal year. [Indiana Code 26-3-7-6.1\(b\)](#) defines “financial statement” as follows:

1. be prepared by an independent accountant certified under [Indiana Code 25-2.1](#);
2. comply with generally accepted accounting principles; and
3. contain:
  - A. an income statement;
  - B. a balance sheet;
  - C. a statement of cash flow;
  - D. a statement of retained earnings;
  - E. an aged accounts receivable listing detailing accounts that are ninety (90) days due, one hundred twenty (120) days due, and more than one hundred twenty (120) days due;
  - F. a copy of the daily position record for the end of the licensee’s fiscal year;
  - G. the preparer’s notes; and
  - H. other information the agency requires.

A licensee who fails to **POSTMARK** any one of the documents defined under Indiana Code 26-3-7-6.1(b)(3) (listed directly above) by its license renewal due date will be assessed all applicable late fees as defined under [Indiana Code 26-3-7-6.1\(c\)](#).

**Document No. 5** Renewal Fee

There are three specific variables a licensee must take into account when calculating its annual license renewal fee. First, the type of grain license a licensee is applying for renewal. Second, the combined total bushel capacity of all the licensee’s grain facilities. Third, the total number of grain facilities a licensee operates with in Indiana. Tables 4.2 through 4.5 (pages 8 and 9) outline the individual fee schedule for each of the Agency’s four (4) grain licenses.

**NOTICE:** All initial licensing fees are for a licensee’s first grain facility. All subsequent grain facilities will be assessed a flat \$250.00 fee.

Visit the Agency’s website to download the [Grain License Renewal Fee Calculator](#) for further assistance in determining a licensee’s total renewal fee. Microsoft Excel required. All calculators are located at the bottom of the Agency’s *Forms* page.

4.2 Warehouse License Fee Schedule

Total Bushel Capacity		Initial Fee (\$)
X <	250,000	1,000.00
250,000 ≥ X <	1,000,000	1,500.00
1,000,000 ≥ X <	10,000,000	2,000.00
X >	10,000,000	2,500.00

+ \$250.00 for each additional facility



4.3 Grain Bank License Fee Schedule

\$1,000.00 Initial Fee  
 + \$250.00 For each additional facility

4.4 Grain Buyer License Fee Schedule

\$1,500.00 Initial Fee  
 + \$250.00 for each additional facility

4.5 Buyer/Warehouse License Fee Schedule

Total Bushel Capacity	Initial Fee (\$)
X < 250,000	1,000.00
250,000 ≥ X < 1,000,000	1,500.00
1,000,000 ≥ X < 10,000,000	2,000.00
X > 10,000,000	2,500.00

+ \$250.00 for each additional facility

Due Date

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All required documents and annual renewal fee must be **POSTMARKED** to the Agency no later than ninety (90) calendar days after the end of a licensee’s fiscal year. The Agency follows the Gregorian calendar recognizing both standard and leap years. Tables 4.6 and 4.7 (below) itemize the most common fiscal year end dates with the Agency’s corresponding license renewal due dates, respectively. If a licensee’s fiscal year end date is not listed in either table below, contact the Agency by phone or e-mail to receive clarification on its annual license renewal due date.

Table 4.6 Standard Year

Licensee Fiscal Year End Date	License Renewal Due Date
January 31 <sup>st</sup>	May 1 <sup>st</sup>
February 28 <sup>th</sup>	May 29 <sup>th</sup>
March 31 <sup>st</sup>	June 29 <sup>th</sup>
April 30 <sup>th</sup>	July 29 <sup>th</sup>
May 31 <sup>st</sup>	August 29 <sup>th</sup>
June 30 <sup>th</sup>	September 28 <sup>th</sup>
July 31 <sup>st</sup>	October 29 <sup>th</sup>
August 31 <sup>st</sup>	November 29 <sup>th</sup>
September 30 <sup>th</sup>	December 29 <sup>th</sup>
October 31 <sup>st</sup>	January 29 <sup>th</sup>
November 30 <sup>th</sup>	February 28 <sup>th</sup>
December 31 <sup>st</sup>	March 31 <sup>st</sup>

Table 4.7 Leap Year

Licensee Fiscal Year End Date	License Renewal Due Date
January 31 <sup>st</sup>	April 30 <sup>th</sup>
February 29 <sup>th</sup>	May 29 <sup>th</sup>
March 31 <sup>st</sup>	June 29 <sup>th</sup>
April 30 <sup>th</sup>	July 29 <sup>th</sup>
May 31 <sup>st</sup>	August 29 <sup>th</sup>
June 30 <sup>th</sup>	September 28 <sup>th</sup>
July 31 <sup>st</sup>	October 29 <sup>th</sup>
August 31 <sup>st</sup>	November 29 <sup>th</sup>
September 30 <sup>th</sup>	December 29 <sup>th</sup>
October 31 <sup>st</sup>	January 29 <sup>th</sup>
November 30 <sup>th</sup>	February 28 <sup>th</sup>
December 31 <sup>st</sup>	March 30 <sup>th</sup>

All due dates are final and the same for all licensees. If a licensee fails to **POSTMARK** all of its required documents and renewal fee to the Agency by its license renewal due date, all applicable late fees will be assessed as defined under [Indiana Code 26-3-7-6.1\(c\)](#).

Late Fees

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If a licensee fails to **POSTMARK** its license renewal application, financial statement, and/or renewal fee to the Agency within the first ninety (90) calendar days directly following its fiscal year end, all applicable

late fees will be assessed as defined under [Indiana Code 26-3-7-6.1\(c\)](#). Table 4.8 (below) outlines the Agency’s late fee schedule.

Table 4.8 Late Fee Schedule

Day(s) Late	Total Calendar Days after Fiscal Year End	Late Fee
0	≤ 90	No Fee
1 – 60	91 – 150	50% of the licensee’s total renewal fee
> 60	> 150	100% of the licensee’s total renewal fee

A licensee will not be granted its license renewal until any and all outstanding late fees have been fully paid to the Agency.

#### Request for Extension

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A licensee may contact the Agency in writing to request a onetime thirty (30) day extension to **POSTMARK** its income statement, balance sheet, statement of cash flows, statement of retained earnings, and/or preparer’s notes. The extension request must be approved by the Agency’s Director or Deputy Director before the license renewal due date.

If an extension request is approved, the licensee must still **POSTMARK** all of its other required documents and renewal fee to the Agency by the initial license renewal due date to avoid being assessed any late fees.

If a licensee fails to **POSTMARK** its income statement, balance sheet, statement of cash flows, statement of retained earnings and/or the preparer’s notes within its approved thirty (30) calendar day extension period, the licensee will be assessed all applicable late fees based on its initial license renewal due date.

The Agency will not grant any extensions to postmark any other of the required documents or renewal fee past a licensee’s license renewal due date.