



Straight Facts about Concrete Masonry Checkoff Assessments

After more than a decade of work by countless block producers and allied industry leaders, the Concrete Masonry Checkoff (CMC) is happening. On April 1, 2023, assessments will officially begin, paving the way for game-changing programs designed to win back lost market share and drive new demand for block.

WHEN WILL ASSESSMENTS BEGIN?



HOW WILL I PAY INTO THE CHECKOFF?



HOW DO WE SHOW DOCUMENTATION OF THE CHECKOFF WHEN A SALE IS MADE?



CAN I PASS THE PENNY ASSESSMENT ON TO MY CUSTOMERS?



WHERE CAN I GET MORE INFORMATION ABOUT ASSESSMENTS?



The start date of assessments is **April 1, 2023**. The checkoff rate is a penny per block **sold and only at the first point of sale**. Initial assessments on product sold April 1, 2023-June 30, 2023 **will be due 60 days following** that quarter (August 29, 2023).

Assessments will be remitted to a blind trust to ensure absolute confidentiality in all sales information and remittance amounts. Producers will not be invoiced, but the CMC Board will provide two payment options – ACH and check. A form will also be provided with details of products included in the checkoff and will include all necessary information for calculating and submitting payment. In time, assessments will be randomly audited by an independent third party. **As a reminder, this is a mandatory checkoff, ensuring all producers contribute at an equal rate working together as an industry to drive preference and demand for concrete masonry products.**

Legislation and Department of Commerce regulations require that block manufacturers identify the total amount due in assessments on all sales receipts, invoices or other commercial documents of sale relating to the first sale of concrete masonry units. The Department of Commerce has determined that the below Safe Harbor language satisfies this requirement: "1 cents per masonry unit goes to the Concrete Masonry Checkoff Board pursuant to the Concrete Masonry Products Research, Education, and Promotion Act of 2018." You may use other language in addition to, or in lieu of the safe harbor language, but the approved language will assure that you comply with the statute.

It is up to each producer to decide how you will handle the checkoff on your actual product sales. You may elect to build it into the price or reflect it as a line-item fee on invoices. *But it is imperative you do not discuss your plan with any other company.* The Department of Commerce has requested a determination from the Internal Revenue Service that **the assessment is not taxable as income.** Similar determinations have been made by the IRS for agricultural products subject to checkoff assessments. The CMC Board will keep you updated as this effort progresses.

The CMC Board chose a later start date for assessments to allow ample time for companies to put processes and any needed software into place and to ensure the checkoff can provide any needed resources to support producers. The board is in the process of creating new informational resources dedicated to producers, including a help line, learning session and additional materials. Visit cmucheckoff.com for specific details.