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February 24, 2023

Dear Golden Growers Member:

For 2022, Golden Growers had net taxable income of **\$8,292,870** which must be allocated to our members in proportion to their patronage during the year. **Accordingly, the Board of Directors has declared an allocation of \$0.5353 per bushel delivered in 2022.** An “allocation” (in the form of equity credits) is your share of the taxable income; it is NOT a cash distribution. The IRS Schedule K-1 you received indicates the amount of your 2022 allocation.

The Board also approved a cash distribution of \$0.16 per delivered bushel, or 30% of the allocation. This payment was electronically deposited into your bank account. This distribution is a partial retirement of the calendar year 2022 equity credits, and is not typically taxable.

Note: With this distribution, unretired equity credits for 2022 and 2021, total \$10,151,179 or \$0.66/bushel. This balance is useful in determining per Unit basis levels and does not constitute an outstanding obligation for GGC.

If you delivered corn in 2022 by Method B (Agency Delivery), you will note that \$0.02 has been deducted from your distribution for each bushel delivered. This Agency Fee will have a different tax effect than the distribution.

Note: Members who transferred Units paid the agency fee (Method B) during the transfer process.

Agency fees on transferred units are not deducted from this distribution. Further, allocations of income, reflected on the Schedule K-1, were issued to the Member who transferred Units effective in 2022.

If you are an individual member or a ‘pass-through’ tax entity and do not reside in North Dakota, state law requires us to withhold 2.9% of your taxable income (reported on K-1) for nonresident state income tax.

Golden Growers is not qualified to provide, and this letter does not constitute, tax advice. Contact a qualified tax advisor with any questions about tax documents or the tax effect of payments or charges from Golden Growers. **Please retain this letter with your tax papers and share it with your tax advisor.**

Best regards,

Scott B. Stofferahn
Executive Vice President