



# GLACIAL LAKES CORN PROCESSORS

301 20<sup>TH</sup> AVENUE SE • P.O. BOX 1323 • WATERTOWN, SD • 57201

PHONE: 605-882-8480 • FAX: 605-882-8982

## \*\*\*\*\*IMPORTANT TAX INFORMATION-PLEASE READ\*\*\*\*\*

December 14, 2022

Dear Valued GLCP Member,

This letter is intended to give you information that you can use in discussions with your tax advisor for 2022 tax planning purposes.

Please expect these tax forms:

### 1099-PATR Tax Form:

1. GLCP declared a patronage (cash) dividend of \$0.085 per share to shareholders of record as of August 31, 2021, which was paid in early January 2022.
2. GLCP declared a patronage (cash) dividend of \$0.10 per share to shareholders of record as of August 31, 2022, which was paid in early September 2022.

Both dividends are taxable in the calendar year 2022, therefore you will receive a 1099-PATR shortly after the first of the year, showing a total of \$0.185 patronage income.

### K-1 Tax Form:

1. In addition, we have allocated a dividend through our solely owned IC-DISC subsidiary. The estimated amount of this allocation, that will be reflected on Form K-1, is approximately \$0.02138 per share to shareholders of record as of August 31, 2022.
2. There will be an additional dividend declared for the period September 1, 2022 to December 31, 2022 which will be paid to shareholders of record as of December 31, 2022. The exact amount has not yet been determined.

These dividend checks will be mailed mid-February followed by the K-1 as the amounts are taxable in the year it is paid.

### NOTE:

There is a Nonqualified Written Notice of Allocation (NQWNA) of approximately \$0.12 per share that is stapled to shares as of August 31, 2022. The approximate \$0.12 per share will be paid to the shareholder of record at a future date yet to be determined and will be taxable when paid which we anticipate will happen in calendar year 2023. **This NQWNA income is taxable in the year in which its paid which we anticipate being calendar year 2023.**

We notified you earlier last month that your Board of Directors declared a cash patronage distribution of approximately \$0.2000 per share from GLCP to shareholders of record as of August 31, 2022. This dividend is patronage for the period September 1, 2021 through August 31, 2022 (fiscal year 2022) and will be paid in early January 2023. **This dividend income is taxable in the calendar year 2023, therefore you will not receive a 1099-PATR until January 2024 – note year.**

We strongly suggest you take this letter to your tax advisor for consideration. Thank you for your support.

Sincerely,

**GLACIAL LAKES CORN PROCESSORS**

James A. Seurer

Chief Executive Officer

*\*please see the back of this letter for our cautionary statement*

## **Cautionary Statements Regarding Forward-Looking Statements**

This document contains forward-looking statements involving future events, future business and other conditions, our future performance and our expected future operations and actions. In some cases you can identify forward-looking statements by the use of words such as “believe,” “expect,” “anticipate,” “intend,” “plan,” “estimate,” “predict,” “hope,” “should,” “could,” “may,” “future,” “continue,” “potential” or the negatives of these terms or other similar expressions. These statements are based on management’s beliefs and expectations and on information currently available to management.

Forward-looking statements are only our predictions and involve numerous assumptions, risks and uncertainties. Important factors that could significantly affect future financial condition and results include, among others, operating margins in the ethanol industry, the rapid pace of expansion in the industry, the cost of corn and the price of ethanol, changes in ethanol supply and demand, changes in current legislation or regulations that affect ethanol supply and demand, disruptions to infrastructure or in the supply of raw materials, the results of our risk management and hedging transactions, and ethanol industry valuations generally.

Our actual results or actions may differ materially from those set forth in the forward-looking statements for many reasons, including events that are beyond our control or assumptions not proving to be accurate or reasonable. We caution you not to put undue reliance on any forward-looking statements, which speak only as of the date of this document. We cannot guarantee our future results, levels of activity, performance or achievements.