Virginia Cooperative Extension

Farm Business Management Update
October – November 2009

To: Extension Unit Directors, Extension District Directors, Extension Program Directors, and Farm Management Agents, and ANR Specialists

Dear Co-Workers:

Farm Business Management Update is a joint effort of the Agricultural and Applied Economics faculty and the area farm management agents. Subject matter areas include timely information on farm management, marketing, tax management, finance, credit, labor, agricultural law, agri-business, estate planning, 4-H and economic education, natural resources, and CRD. Please feel free to reproduce any article. However, please cite the title, author(s), date, and this Newsletter.

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Extension Economist, Farm Management and Farm Management Coordinator

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Can Virginia Communities and Counties Seize an Economic and Social Opportunity with Farm-Based Local and Regional Economic Development?

By Eric Bendfeldt (ebendfel@vt.edu), Area Specialist, Community Viability, Northwest District, and Kenner Love (klove@vt.edu), Extension Agent, Agriculture and Natural Resources, Rappahannock County

The recent economic downturn and recession have forced many Virginia communities and counties to face new financial and social challenges; evaluate their current situation; and reevaluate their community assets, resources, and overall economic development strategies. For many communities the situation has brought issues of community viability and rural quality of life to the forefront of discussion and planning as communities readjust and plan for the future. For Virginia farmers, farm profitability and economic viability are critical concerns as many agricultural sectors deal with financial crises resulting from the economic downturn.

In tough economic times new economic and social opportunities usually develop. However, the challenge is recognizing and seizing these opportunities, particularly when there are immediate and pressing concerns demanding a response. Presently, farm-based local economic development that is intentional and strategically planned seems to present unique economic and social opportunities for Virginia communities and counties, particularly with the unprecedented current public interest in local foods and health.

In 2006, the total economic impact of agriculture-related industries in Virginia was $55 billion and 357,100 jobs. Reports show that every job created in agriculture and related industries results in another 1.5 jobs and generates an additional $1.75 of value-added benefits to the Virginia economy.[1] The effects of a strong and diverse agriculture already reverberate through Virginia's economy and business sectors, but new opportunities continue to present themselves for strengthening Virginia farming and the economy.

Virginia agriculture is certainly not one-size-fits-all, but to remain viable and profitable, Virginia farmers need alternative profitable markets and marketing strategies. The 2006 economic impact data seems to indicate no need to worry about alternative markets and marketing strategies for Virginia farmers. However, other data reveal economic, social, and environmental reasons for concern about the future of Virginia agriculture. Many small and mid-level farms, those with annual gross sales of between $2,500 and $500,000, in Virginia struggle to survive financially. As a result, Virginia experienced a significant decline in the number of small and mid-level farms from 1997 to 2007 (Figure 1).

These farms represent an important dynamic in communities and are a critical segment of Virginia's food and farming industry. Similarly, they own the majority of farmland critical for food production. Without a bold new strategy for farm-based economic development that

[1]Rephann, T. 2008. The Economic Impact of Agriculture and Forestry on the Commonwealth of Virginia: the Study in Brief. Weldon Cooper Center for Public Service: University of Virginia. Charlottesville, Virginia.

considers this important segment, Virginia will continue lose farmers and farmland because of poor economic conditions in the agriculture sector.

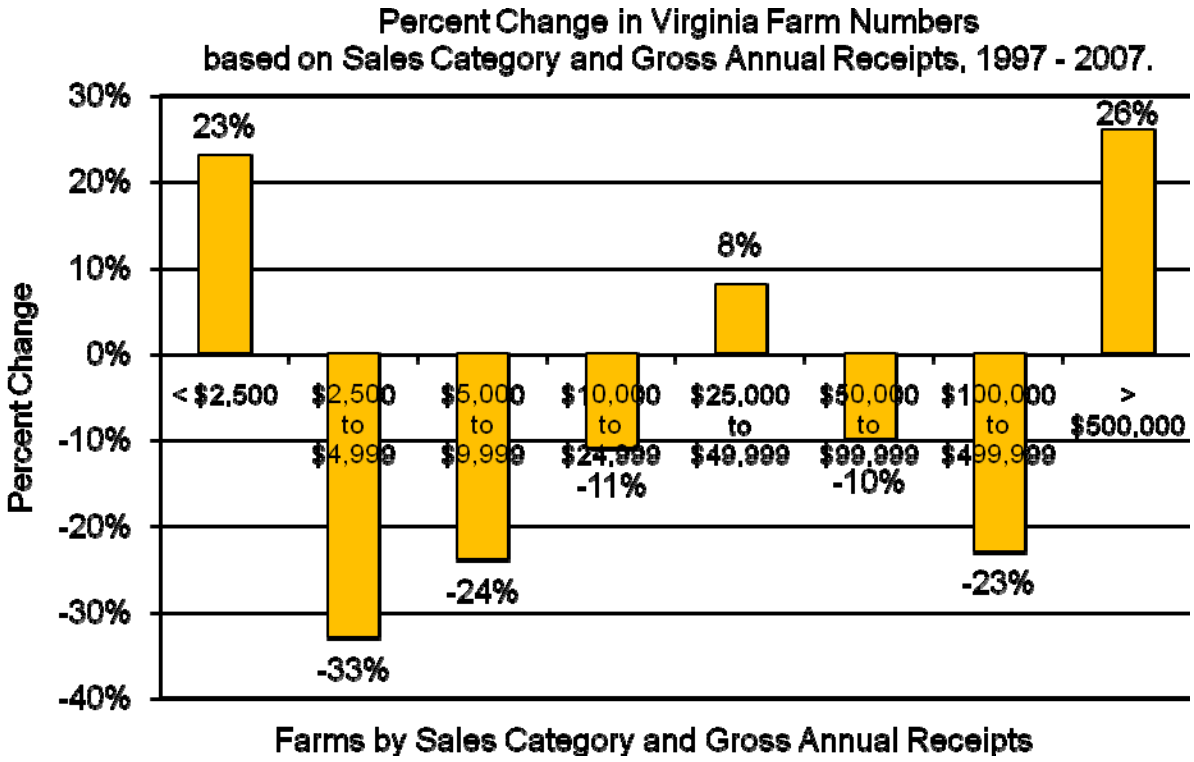

Figure 1. Percent change in farm numbers based on sales category and gross annual receipts, 1997 - 2007.

In 2007, 62% of all Virginia farmers reported a net loss from their farming operations.[2] The net loss of farm income is the primary reason for the tremendous loss of farmland in Virginia. During the 5-year period from 2002 to 2007, an average of 104,000 acres of Virginia farmland was taken out of farm production each year and converted to other land use.[3] With impact data showing the continued importance of agriculture to Virginia's economy, why should the state lose so many of its mid-level farms, which are well suited to grow local food and serve a regional food system? The current unprecedented consumer demand for these local products offers a potential solution to the loss of farms and farmland by creating jobs, land retention, and broader economic and social benefits. Mid-level farms are critical because they have the land base to grow the food consumers are demanding.

At the Virginia Food Security Summit in 2007, Ken Meter of the Crossroads Resource Center, reported revenues lost by the state since the majority of Virginian's food purchases are of non-Virginia foods and farm products. He cited that Virginians annually spend $14.8 billion on food ($8.1 to eat at home, and another $6.7 billion to eat out). Of this amount, approximately $8.9

[2]USDA 2007 Census of Agriculture – State Data
[3]Virginia Department of Agriculture and Consumer Services Offices of Farmland Preservation http://www.vdacs.virginia.gov/preservation/ (Accessed September 24, 2009)

billion represents a lost economic and social opportunity for Virginia farmers and communities because the money is spent on food coming from outside Virginia, is not as economically embedded in communities, and generally leaves the state. He also suggested if Virginia consumers bought 15% of their food directly from local farms, farms would earn $2.2 billion in new income.[4] A similar study by Virginia Cooperative Extension showed that if each Virginia household would spend just $10 of their total weekly food budget on local food and farm products, this purchasing decision would annually generate $1.65 billion in direct economic impact for Virginia's economy.[5]

To seize the economic and social opportunity that the growing consumer demand for local food represents and retain a larger share of Virginia's food dollars, public, private, and civic sectors in Virginia should work together to build a statewide local farm and food system that meets consumer demand for local and more regionally-based food. The recent growth and popularity of Virginia farmers' markets is one indicator of growing interest by consumers in these products, and there is also growing interest by institutions as part of farm-to-school and university programs and other larger volume markets. Currently, Virginia colleges and universities, corporate cafeterias, schools, hospitals, museums, restaurants and grocery stores are unable to procure adequate supplies of products grown and marketed by Virginia farmers that their clientele and customers are demanding.

A statewide locally-based farm and food system that shortens the distance from farm to table can be part of the solution to Virginia's current economic woes and a force for future economic and social development at the local, regional and state level. The system would complement existing systems and further bolster Virginia agriculture by diversifying the rural farm economy, increasing market opportunities and farm profitability, and seizing on consumer demand. Increasing local supply would foster and incubate new enterprises and community initiatives to create and retain jobs. Community viability would be strengthened by more effectively and intentionally linking people to their culture, land, agriculture and natural resources, and by benefitting human health, the environment, heritage, and a sense of place. Additionally, the effort and system would increase the ability of consumers and producers to have increased choices and opportunities so necessary for improving the overall quality of life for Virginia. To develop and support a statewide farm and food system that makes Virginia food and farm products more readily available and accessible to all consumers and keeps millions, or even billions of dollars in the state, Virginia will have to provide leadership and encourage rural, urban, and suburban communities to cooperate statewide to develop local farm production, infrastructure and distribution, consumer access, and public education. New farms, together with small and mid-level farmers interested in transitioning to serve this demand, will need agronomic and entrepreneurial training, access to land, labor, equipment, and capital. Agricultural and food entrepreneurs need increased community and public support to build Virginia-based value chains to deliver large volumes of local Virginia farm products to schools, institutions, and other in-

[4]Bedarf, A. 2007. The Virginia Food Security Summit: The Final Report Findings and Recommendations. May 11, 2007. Charlottesville, Virginia.

[5]Benson, M. and E. Bendfeldt. 2007. Annual Community Food Dollars Generated if Each Household in Virginia Spent $10/Week of Their Total Food Dollars on Fresh Local Produce and Farm-based Virginia Products. Virginia Cooperative Extension Bulletin.

state markets. Localities and communities will have to encourage farming, protect farmland, and insure the future productive capacity of arable land.

Virginia can develop a statewide food and farm system and foster this type of farm-based local and regional economic development by (1) integrating food and health systems; (2) developing policies to encourage local sourcing of food (e.g. a goal for state institutions to procure at least 25% of their food locally by 2025); (3) local initiatives to protect farmland and the future productive capacity of arable land; (4) supporting local food and farm programs and initiatives of Virginia Cooperative Extension to facilitate the development of local and regional food systems; (5) supporting the Virginia Food System Council and its mission; and (6) recognizing and paying farmers for societal and ecosystem services (e.g. carbon sequestration). A farm-based economic development plan and system to increase the supply of Virginia's local food will foster job creation, accelerate new farm, food, and community initiatives at the local, regional, and state level, and further the recovery and revitalization of Virginia's economy and communities.

The Management Calendar

By Gordon Groover (xgrover@vt.edu), Extension Economist, Farm Management, Department of Agricultural and Applied Economics, Virginia Tech

A quick comment on Virginia's net farm income: USDA Economic Research Service forecasts that U.S. Net Farm Income will be down 38 percent from 2008. Appling this to Virginia's historical real net farm, then Figure 1 shows a forecasted decline in per farm real net farm income. This level begins to approach the early 1980 levels and the era of 1979-1984 was later referred to as the "Farm Financial Crises." The key point is to keep a close watch on farm level management decision and cash flow.

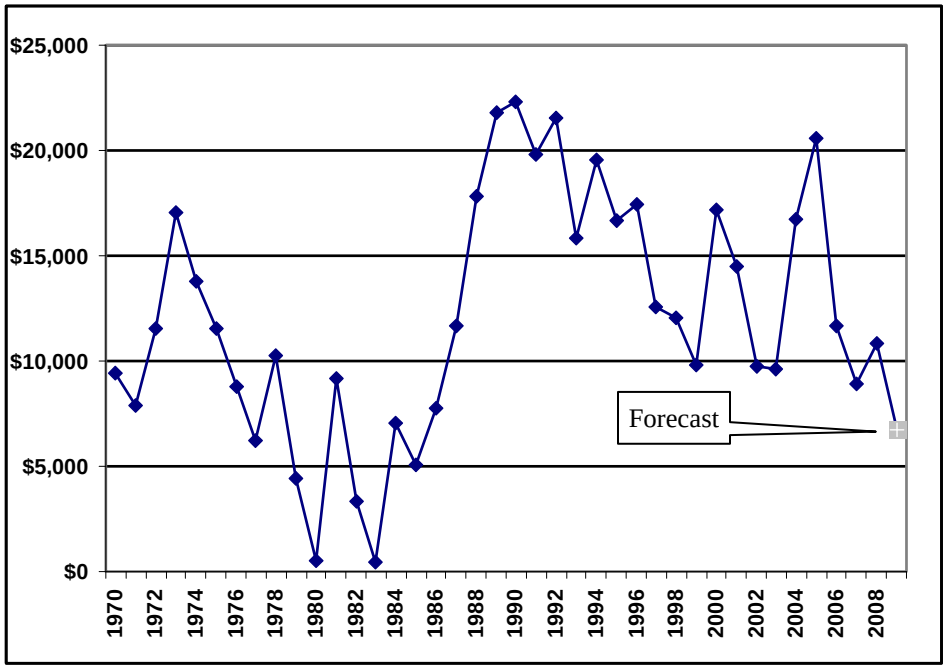

Figure 2: Real Virginia Net Farm Income per Farm (GDP Implicit Price Deflator: BEA, 2005=100)
Source: USDA-ERS Farm Income and Costs (http://www.ers.usda.gov/data/FarmIncome/finfidmu.htm)

Farm business managers should consider putting the following activities on their management calendar for October-November.

- As pointed out above, the cash flow statement is still the best tool we have to estimate when and under what conditions the business has a cash surplus or deficit. If you project and actual cash flow, look for problems. Actual inflows or outflows that differ from your projections may not signal a problem, but understanding why you have differences helps you understand changes in the farm business. Finally, Alex White has a number of excellent resources at www.extension.agecon.vt.edu/farmbusinessmgt.html. He also has a spreadsheet to help develop all the common business financial statements at www.extension.agecon.vt.edu/spreadsheets/Financial%20Statements%20template.xls.
- Time to order your farm record book. As we enter the last quarter of 2009, it is time to order a new copy of the Virginia Cooperative Extension "Farm Record Book: Expenses and Receipts" (Publication 446-017). This 120-page record book provides an organized way of keeping track of annual financial, labor and personnel, and production related records. It provides forms for many categories of expenses, receipts, labor, and financial summaries to meet the needs of most agriculturally-related businesses using cash accounting methods. Column headings are included for major items with some columns remaining blank for your own headings. Forms are arranged to facilitate transferring totals to income tax forms (Schedule F, tax deprecation, and Form 4797) and to help complete end-of-the-year analysis. Virginia Cooperative Extension "Farm Record Book: Expenses and Receipts" is available from Virginia Cooperative Extension for $12.00. Call your local extension office and request the order form VCE Publication 446-016, print the form at www.ext.vt.edu/pubs/agecon/446-016/446-016.pdf, or contact me at (540) 231-5850.

- Farmers faced with high input costs or low returns driven by lower commodity prices and other issues can look to their top five cash expenses as a way to reduce costs in the short run. Total all expenses and estimate spending for the remainder of the year. Then identify the largest expense items and review each, looking for ways to reduce spending. Ask questions: Are there lower priced alternatives? Is this item needed? If I reduce usage, will output be reduced? Also, make use of local experts for advice on ways to improve cost management.
- Using the last three-quarters of cash flow and financial records, estimate total farm expenses, income, and capital purchases and sales. Then make an appointment with your tax advisor to plan year-end tax management strategies. Be sure to estimate crop insurance payments and any government payments that will appear on this year's taxes. To take full advantage of year-end tax management strategies, cash-based farmers must make decisions before December 31, 2009. Be sure to review changes to state and federal tax laws with your tax advisor to make sure you have not missed deductions and/or credits.
- Farm business managers should never loose sight of the two objectives of tax management: 1) all decisions, including tax management, should be made to improve the long-term survivability and profitability of the business, and 2) tax management tools are used to level out the year-to-year swings in reported income and subsequent taxes paid. You can use the multitude of tools and techniques written into the tax code for farmers and all businesses to manage income and expenses and to even out the wide swings in annual profits and losses that many farmers experience. Leveling out the income tax liabilities year-to-year will lead to lower total taxes being paid.
- Be sure to keep crop records up-to-date during harvest: include yields, machine times and equipment used, weed problems, and differences in hybrids. If you're moving up in the information age, consider the fully integrated record keeping systems using yield monitors, GPS, handheld computers, and management software on your office computer. One example of this whole farm system (includes accounting, personnel, and livestock records add-ons) is FarmWorks at www.farmworks.com.
- Be sure to keep livestock records up-to-date during fall sales. At a minimum, include weight, grade, sale prices, and identification numbers of all calves sold and/or purchased.
- There are lots of changes in federal programs, so make sure you visit with your local FSA office at www.fsa.usda.gov/FSA/stateOffices?area=stoffice&subject=landing&topic=landing and your crop insurance agent. See the following web site to find an agent in your area www3.rma.usda.gov/apps/agents/. Check the following web site for closing dates for all insurance policies: www.rma.usda.gov/data/sales-closing-dates/.

Cost-share for organic certification

- Interested in organic certification? Take a look at the USDA-AMS site to see if you qualify for cost-share assistance to eligible organic operations.

What is a Fair Price for My Crop?

By Peter Callan (peter.callan@vt.edu), Extension Agent, Farm Business Management, Northern District

During the harvest season, extension agents frequently receive the following phone call: "My neighbor called and wants to purchase corn silage or round bales of hay. What is the going rate for these crops?" The extension agent's favorite response is "It all depends on …"

Pricing corn silage: There are a number of factors which influence the price of corn silage. The price of corn silage is directly related to the price of corn at the local elevator. Local grain prices are based on prices that that have been determined on the Chicago Board of Trade (CBOT) and local supply. Virginia does not greatly influence national corn prices due to the relatively low corn acreage in Virginia compared to the Midwestern states. Total acres of corn planted in the USA, the average corn yield per acre in the USA, world supply and demand are the primary factors in setting corn prices on the CBOT.

In some areas of Virginia, a corn producer has the option of harvesting, drying and selling corn at the local elevator or selling the corn as corn silage. See Table 1-2 Estimated Yields in Bushels (Bu) or Tons (T) per Acre (Ac) of Various Non-Irrigated Crops for Identified Soil Productivity Groups in the *Virginia Nutrient Management Standards and Criteria (Revised October 2005)* for conversion factors.

The following example can be used to demonstrate calculating the value of corn silage per ton from 100 bushels corn per acre.

- Conversion rate 100 bushels corn/ acre =17.5 tons corn silage/acre
- Current market price of corn at the local elevator - $3.30/ bushel
- Custom harvest rate per hour for self propelled harvester - $300/hour
- Assume 50 tons per hour acre harvested
- Harvest cost $300 per hour/50 tons per hour harvested = $6/ton harvest cost
- Value of the corn crop - 100 bushels/acre X $3.30/bushel = $330/ acre
- Value of corn silage in the field - $330 per acre / 17.5 tons per ace = $18.86/ton
- Value of harvested corn silage - $18.86/ton corn silage + $6.00 harvest cost/ ton = $24.86/ton

Please note that the price of the silage does not include transporting the silage from the field to the neighboring farmer's silo. Transportation costs, which are based on the distance from the field to the purchaser's silo, may add several dollars per ton to the silage price.

Depending on fertilizer prices, a producer may have approximately $400.00 per acre invested in growing an acre of corn. Remember, the price of corn silage is determined by the corn grain price. Thus, as the price of dry corn increases or decreases, silage prices will change accordingly.

Pricing Hay: Quality and size of the local hay crop and are the primary factors impacting hay prices. Generally, equine owners are willing to pay top prices ($200-$280+/ton) for orchard

grass hay that is early cut (low in fiber, high in protein and energy), free of weeds, dust and mold. Equine owners will not purchase hay that has been rained on because it is dusty which will cause colic (upset stomach) in horses. In years of abundant rainfall, hay supplies may be more plentiful compared to years of limited rainfall. Rainy weather during harvest will limit the amount of hay that has not been rained on.

It costs approximately $180 to produce a ton of hay including fertilizer, labor, and equipment costs. "Patriotic" hay, which is cut in late June and early July, is high in fiber and low in protein and costs the same to produce as early cut hay. Beef producers are the primary buyers for "patriotic" hay. This year due to the significant amount of rainfall in spring and rain during harvest season, there is an abundant supply of "patriotic" and rained on hay in NOVA. Current market prices are ~$20-$40 per ton for low quality hay. If storage facilities are available, producers may want to consider storing and selling the hay in 2010 instead of selling of selling the crop for a large loss.

Virginia Tech has online crop budgets which can help producers calculate their production costs. Although producers have large investments in growing the hay and corn crops, crop prices are not linked to production costs. The prices Virginia farmers receive for their corn crops are determined by prices set on the CBOT. The amount of rainfall received during the growing season and at harvest time are the primary factors that set local hay prices.

Fall is the Time for Poultry Litter

By Tom Stanley (stanleyt@vt.edu), Extension Agent, Farm Business Management, Northwest District

If you farm in Virginia and would like to use poultry litter on your pastures or hayfields, the later summer and fall is the time to act. Changes in fertilizer markets have made late summer and fall just about the only time poultry litter is available for application to pastures and hay fields.

Poultry litter is a valuable soil amendment that can contribute nitrogen, phosphorus, potassium, calcium, micronutrients, and organic matter to a field. Prior to 2007, the value of poultry litter (based on the value of these nutrients) limited the distance from the poultry house the litter could economically be hauled. In fact, early in this decade when fertilizer prices were on the order of nitrogen $0.32 per lb., phosphorus $0.38 per lb., and potassium $0.15 per lb., the poultry producing regions of Virginia were facing a serious disposal problem with unwanted litter piling up in storage sheds.

The past two years have changed that dramatically. Although fertilizer values are down from their peak in 2008, current prices for fertilizer in the Shenandoah Valley are in the range of $0.45 per lb. for nitrogen, $0.48 per lb. for phosphorus, and $0.62 for potassium, an overall increase of 84% over 2001 values. Suddenly, poultry litter for many people is not a problem but a sought after commodity.

According to Virginia's Nutrient Management Standards and Criteria, a ton of poultry litter typically contains approximately 35 lbs. of plant available nitrogen, 55 lbs. of phosphorus, and

32 lbs. of potassium. Earlier this decade, based on the prices noted above, litter with this nutrient profile was worth $36.90 per ton. Based on today's fertilizer prices this same ton of litter is worth $60.94 per ton. It is important to remember that these values do not account for other beneficial characteristics of poultry litter including its liming value (which often is equivalent to 500 lbs. of lime per ton of litter), the value of its micronutrient content, organic matter, and residual nitrogen released after the first year.

Even though the cost of transportation has gone up, for many, the value of the nutrients allows the litter to travel farther than in years past. As a result, the market for poultry litter has changed significantly in the past two years. Availability in the spring can be very limited due to the high demand and brief application window for applying poultry litter for corn and other row crops. A farm's location in the state, the quantity ordered, and the availability of application equipment will be important determinants of whether litter application on that farm is economically justified.

Farmers with pastures and hay fields are finding that August through December is the time frame during which they are more likely to secure a supply of poultry litter for fertilizer. Agronomists encourage fall applications of litter to pastures and hay fields because fields are typically dry then and problems of soil disturbance and compaction are often minimized. Furthermore, evidence from trials conducted by Virginia Tech faculty indicates fall applications benefit forage root systems much more than spring applications.

If you wish to investigate the feasibility of having poultry litter applied to your farm in Virginia, here are some steps to pursue. First, contact your local office of Virginia Cooperative Extension and ask about soil testing and recommendations for pasture and hay fields. If soil tests demonstrate poultry litter is a good fit for your farm, contact the Virginia Poultry Litter Hotline at 1-888-433-2451 or on the internet at www.vapoultry.com. Here you will find information on litter availability and also spreader equipment for rent. Finally, contact your region's nutrient management specialist with the Department of Conservation and Recreation. They can tell you about a cost share program that helps cover the cost of transporting litter away from areas with high poultry concentrations to watersheds that have less poultry. The cost share program does require the farmer to have a nutrient management plan and only certain areas of the state are eligible. This fall may be your best opportunity to secure some poultry litter as a soil amendment.

Economics Support Increased Barley Production in Eastern Virginia

By Eric Eberly (eeberly@vt.edu), Extension Agent, Farm Business Management, Central District

"Osage Energy Using Perdue to Contract Barley for Ethanol" reads the headline of a recent press release. The new Osage Bio Energy plant in Hopewell, Virginia will convert barley into ethanol. When in full operation, the Hopewell facility will need to pull barley from the entire mid-Atlantic region to supply an annual demand of 30 million bushels. Perdue Agribusiness will purchase all barley for the facility using its regional network of elevators.

Contracting for June 2010 delivery has already begun. Growers who contract early will receive a premium and the choice of delivery month. The premium price is based on the delivery month and was initially 75% of the July 2010 CBOT Corn futures price for June 2010 delivery. Pricing for July 2010 delivery would use the September 2010 corn futures price. Growers can decide to price barley on any day following contract signing until it is delivered. The growers that delay this decision to contract will need to provide storage for the barley until it's needed and could potentially loose this market entirely.

Both wheat and barley can be used as a double crop with soybeans. For barley to replace wheat in a small grain and soybean double crop rotation, the net income from the barley-soybean crop should exceed the wheat-soybean crop. The economic analysis of various cropping systems is based on the following assumptions:

- Farm is located in the Eastern Region[6] of Virginia
- 1,000 acres of cropland capable of producing higher than average crop yields
- Equipment is sized to meet normal planting and harvesting windows for corn, full season soybeans, and small grain and soybean double cropped
- Farm is managed intensively utilizing minimum tillage and IPM practices
- No government payments are considered
- Input and output prices are based on September 30, 2009 estimates

Virginia Cooperative Extension Crop and Livestock Budgets are the basis for the analysis and reflect current crop production practices recommended by Virginia Tech Extension Specialists Mark Alley, David Holshouser and Wade Thomason. Yield projections are listed in Table 1 and are considered to be attainable yields for most farms. Osage Bio Energy recommends the Thoroughbred barley variety. The analysis assumes that soybeans following barley have a 6 bushel (½ bu. per day delay) advantage over soybeans planted after wheat.

Table 1. Crop Yields for Eastern Virginia

Crop	1988 – 1997 Average	2003 – 2007 Average Yield	Estimated Intensively Managed Yield
Corn	104.6	124.4	126
Soybeans	28.1	32.2	35
Wheat	59	62.8	75
Barley	75	79	95
Barley / Soybean DC			95 / 32
Wheat / Soybean DC			75 / 26

Estimated crop prices used in the analysis are listed in Table 2. The estimated prices are used to illustrate how farmers can develop their own choices based on current estimates that reflect market location, basis, and the global commodity market.

[6]USDA/VASS Eastern Region includes the counties of Accomack, Charles City, Essex, Gloucester, James City, King & Queen, King George, King William, Lancaster, Mathews, Middlesex, New Kent, Northampton, Northumberland, Richmond, and Westmoreland.

Table 2. 2010 Estimated Crop Prices

	Richmond Area	Norfolk Terminal	CBOT	Estimated Price
Corn			3.92¾	3.82
Soybeans	8.82	9.07	9.04	8.82
Barley	2.62 – 2.80			2.80
Wheat	3.98	4.38	5.03¼	3.98

USDA-VA Dept. of Ag Market News, September 30, 2009
CBOT Settlement, September 30, 2009 … Wheat-Jul10, Soybeans-Nov10, Corn-Dec10

Estimated budgets are listed in Table 3. Input prices will vary by location and time of purchase, and phosphate and potash applications are a function of yield-based nutrient removal rates. Chemical costs vary widely, and estimated costs are based on typical weed, insect, and disease pressure. Crop insurance costs are calculated by dividing the net premium by the total insured acres. Fuel costs are based on $2.35 per gallon diesel. Repairs are based on equipment that has reached one half of its useful life. A $0.25 per bushel hauling charge was applied to all crops. Machinery operator labor was charged at $14.50 per hour.

Table 3. Estimated per Acre Crop Budgets for Eastern Virginia Soils

	Barley/Soybeans	Wheat/Soybeans	Soybeans	Corn
Gross Income	557.06	536.64	308.7	453.6
Variable Costs (VC)				
Seed	70.50	99.00	32.00	61.2
Fertilizer & Lime	130.71	134.34	68.9	110.64
Chemicals	49.19	47.94	28.00	39.94
Crop Insurance	19.26	24.82	13.36	20.48
Fuel & Oil	17.28	17.28	8.04	11.62
Repairs	25.68	25.68	13.43	16.52
Hauling	32.00	25.50	8.75	31.5
Labor	11.75	11.75	5.51	8.12
Operating Interest	8.92	10.02	4.68	7.39
Total Variable Cost	365.29	396.33	182.67	307.41
Return over VC	191.77	140.31	126.03	146.19

The initial analysis shows returns over variable costs of $191.77 for barley-soybean double crop, $140.31 for wheat-soybean double crop, $126.03 for full season soybeans, and $146.19 for corn. A change in small grain planted from wheat to barley appears to net an additional $51.46 per acre. On 1,000 acres, that's $51,460 increase in net revenue to pay fixed cost and family living expenses. But this increase can only occur if you contract your barley for delivery to Perdue AgriBusiness. Once a contract is signed, the farmer should also aggressively pre-purchase production inputs.

A decision of this magnitude requires a complete farm plan that analyzes the production and marketing risk of a specific farm. It cannot and should not be made based on Extension budgets alone. Farmers desiring the Excel budgets that this article is based on should contact Eric Eberly at eeberly@vt.edu or by calling (434) 292-5331.

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Chapter 12 Bankruptcy Designed for Family Farms Determined to Keep Farming

By Tom Stanley (stanleyt@vt.edu), Extension Agent, Farm Business Management, Northwest District

Chapter 12 Bankruptcy is a farm business restructuring strategy specifically designed for small and medium-sized family farms. It has provisions that, in the right circumstances, can allow the farm business to remain viable and return to solvency.

The word bankruptcy has extremely unpleasant connotations and among farmers it has an associated stigma that would be difficult to bear. Unfortunately, it is highly likely some Virginia dairy farms will be facing dire financial circumstances in the coming months due to an unprecedented disparity between cost of production and prices paid for milk through most of 2009. Chapter 12 bankruptcy is different; it is specifically for those farm families that are willing to keep fighting to keep their business viable despite financial hardship.

Eligibility for Chapter 12 bankruptcy depends on the business structure of the farm and the level debt. If the farm is a partnership, LLC, or corporation then more than 50% of the stock or equity must be held by a single family or their relatives. Eighty percent of the business entity's value must be related to the farming operation. For individuals and married couples, at least 50% of the debt must be from the farming operation, and more than 50% of the previous year's income must be from the farming operation. For both individuals and business entities, the total farm debt cannot exceed $3,544,525.

Farms that have started other bankruptcy-related proceedings need to consult their attorney to insure their eligibility for Chapter 12 status.

The process of Chapter 12 looks something like this (Moore, 2009, Ohio State University):

1. Farmer receives credit counseling from an approved credit counseling service

2. Farmer files a Chapter 12 petition with the bankruptcy court
3. Twenty to thirty-five days after filing petition, the bankruptcy court will hold a meeting of creditors
4. Within 90 days of filing the initial petition, the farmer is required to submit a reorganization plan to the court
5. The court confirms the plan or rejects the plan
6. If confirmed, the farmer will stay in bankruptcy 3-5 years
7. The farmer will be discharged from bankruptcy and continue to make long term debt payments.

There are a number of advantages to Chapter 12 bankruptcy and one of them is the reduction of debt to match the current market value of assets. For example, if a dairy has outstanding debt of $500,000 originally secured by the value of cattle and land and these assets now have a market value of $350,000, then the secured debt obligation may be reduced to this amount. Filing for Chapter 12 bankruptcy also usually halts all collection actions against the farm by creditors. Lawsuits cannot be pursued against the farm while in Chapter 12 and wage (i.e. milk check) garnishments are discontinued. Creditors must make any claims through the bankruptcy proceedings. Furthermore, thanks to changes in Chapter 12 rules enacted by Congress in 2005, federal tax obligations are treated as unsecured debt. In other forms of bankruptcy, federal taxes must be paid but under Chapter 12 bankruptcy the Federal Government has to "get-in-line" with other unsecured creditors such as feed dealers and veterinarians.

Obligations and consequences of Chapter 12 bankruptcy are serious. Within 90 days of filing Chapter 12, the farm must submit a reorganization plan that addresses how secured debt will be paid. The farm must present a detailed financial plan with realistic projected budgets and cash flows that address how the farm will reach solvency in 3 to 5 years. A farm that fails to reach solvency in the specified time frame will very likely to be forced by the court into Chapter 7 (liquidation) bankruptcy. And of course, filing for bankruptcy of any sort has implications for the ability of the farm and individuals associated with the farm to access credit in the future.

This article is a very brief outline of Chapter 12 bankruptcy. Anyone considering this course of action should consult with a qualified attorney and tax professional. In preparing this article, the author interviewed a tax attorney who offered that there are very few attorneys in Virginia qualified to handle Chapter 12 bankruptcy. A farm family should select their attorney very carefully. The attorney needs to have experience working with commercial-scale farms on business entity and tax issues.

Two publications were important sources of information for this article. "Chapter 12 Bankruptcy: Hope for financially stressed family farms" by Robert Moore is available through the Ohio State University website at http://dairy.osu.edu/ under 'timely articles.' "Bankruptcy: Chapter 12 Reorganization" by Kunkel, Peterson, and Mitchell is available from the University of Minnesota at http://www.extension.umn.edu/topics.html?topic=4&subtopic=32.

Change?

By Gordon Groover (xgrover@vt.edu), Extension Economist, Farm Management, Department of Agricultural and Applied Economics, Virginia Tech

More than 2,500 years ago the Greek philosopher Heraclitus said, "The only constant is change." The truth of this statement has been made clear to me as I have visited with farmers across the state. They have stories to tell about how the macro-economy affects them at the farm level and left them with useless monuments. For example a farrow-to-finish house constructed just before the 1980's farm financial crisis which now stands empty, an unused silo built to support a cattle finishing enterprise based on overly optimistic cattle prices and marginal soils unable to support row crop production. Some managers blame the individual or institution that helped them make the decision, and others recognize that the information and knowledge that supported that decision were rendered obsolete due to a major change in economic conditions.

The opposite of change is stability and the prospects for stability for the agriculture economy are small. Farm business managers have faced and will be faced with volatile prices and returns for some time. There are numerous examples from the last 5 years; the All Milk Price (USDA NASS) dropped more than 50% in less than 2 years ($21.80 in September 07 to $11.30 in June 09) and inputs, feed, fertilizer, fuel, and chemicals have shown similar trends with historic low and high prices. This constant change makes planning very difficult and even the best plans can go awry. So what can be done to mange in these turbulent times? Keep good records!

Production and financial records are the foundation for all short-run (less than 2 years) and long term (beyond 3 years) decisions. There are 3 major functions of all records systems. First, in the short run all records must meet a service role; that is, information for income tax reporting, labor reporting, loan applications, and insurance claims. Second, the record system should be designed to provide and support diagnostic services based on the basic financial statements (balance sheet, income statement, and cash flow). On the production side, matching major expenses and income to primary enterprises, for a beef cow herd feed costs per cow exposed or on a dairy, income over feed costs. Third, look to the future. To do this you'll need a planning tool. The farm business record database can then be used to help make decision to support enterprise selection, expansion, alternative production systems, and transition planning and reduce the probability of building a new monument. This data can then be used as a major component in whole farm and partial budgeting, development of enterprise budgeting or tax planning tailored to your farm.

Where do you start? Below is a short listing of financial records systems from hand-kept record books to off-the-shelf automated checkbook registers (i.e. Quicken®). These do not meet the accounting requirements of double-entry accrual accounting systems, but for most farm businesses that may be a good thing. If the system is user friendly, gets used, and meets your needs that is the best system. The major point is to find a system that works for your business. This is not an exclusive list but defines a number of alternative systems. If you have systems you like and would recommend, please send me (groover@vt.edu) the web site for the package, name of the application you use, and why you recommend this system.

Introductory level – Financial records

- A hand-kept farm records book; for example, Virginia Cooperative Extension sells theirs for $12.00 (see http://www.ext.vt.edu/pubs/agecon/446-016/446-016.pdf).
    - **Service** – Most will support development of an actual cash flow, net worth, and profit and loss statements. Remember, it is hand-calculated.
    - **Diagnostic** – Only form the point that you can calculate diagnostic factors and ratios.
    - **Planning** – Data can be used in other systems.
- Computer systems: Quicken® has been used by many farmers since the early DOS operating system days. So if you have basic computer skills and can balance your checkbook you can use Quicken®. A number of states offer classes or online training to get you started using quicken for keeping farm records. See Oklahoma State University (agecon.okstate.edu/Quicken/index.asp) and The Ohio State University (http://ohioline.osu.edu/b931/index.html)
    - **Service** – Quicken® has programmed reports to assist in meeting the service role. However, the initialization and setup are critical for a good service role, e.g. federal, state, and local taxes.
    - **Diagnostic** – Mostly preprogrammed reports, user-created budgets (compare actual to planned), and the ability to export data to conduct analysis using a spreadsheet application.
    - **Planning** – Supports development of a projected budget and tracts actual spending. Data can be exported to be used in other systems.
- In addition, Microsoft® Money is a similar product; however, there are less educational materials that pertain to agriculture than for Quicken®. Designed for family and home use.
    - **Service** – Similar to Quicken® but less educational support and the initialization and setup are critical for a good service role.
    - **Diagnostic** – Mostly preprogrammed reports, user created budgets (compare actual to planned), and the ability to export data to conduct analysis using a spreadsheet application.
    - **Planning** – Supports development of a projected budget and tracts spending. Data can be exported to be used in other systems.

Moderate to advanced – Financial records – Here are two off-the-shelf computer systems that can accommodate many of your business needs, e.g. cash and double-entry accrual accounting, payroll, credit card, and point-of sale:

- Quickbooks® is a full blown accounting package and when set up correctly will meet all the requirements that CPA's like to see (Note: This is not the case for Quicken®, Microsoft® Money or a typical hand-kept farm record book). Quickbooks® like Quicken® has more agricultural examples and supporting educational programs conducted by educators and the private sector. Thus, more of a network of agricultural professionals that have adapted Quickbooks® to the business nuances of farming. Tennessee Cooperative Extension has three publications on Quickbooks® at http://economics.ag.utk.edu/managementpubs.html titled "Using Computers to Manage the Modern Business." From the private sector, Flagship Technologies (www.goflagship.com) has developed Quickbooks® educational materials targeted at farmers. Flagship has developed add-on software (ManagePLUS®) for both

Quickbooks® and Quicken® to integrate the entry of quantities when sales and purchases are recorded (supports calculations of the average sale price per bushel…). Including quantities with ManagePLUS® addresses many of the farmer criticisms of off-the-shelf software.

  - **Service** – Quickbooks® has programmed reports to assist in meeting the service role. Properly set up, Quickbooks® will meet the requirements of accounting professionals and audits if required for an incorporated farm. Initialization and setup are critical for a good service role, e.g. federal, state, and local taxes. In terms of payroll – works well for wage and salaried workers, limited for piece rates and adverse wage rates. Can accommodate point-of-sale software and credit card sales (think cash register) for direct sales to consumers.
  - **Diagnostic** – Mostly programmed reports, user created budget (compare actual to planned), and the ability to export data to conduct analysis using a spreadsheet application. Using ManagePLUS® provides additional analysis based on quantities sold or purchased. This carries forward into reports, e.g. profit and loss.
  - **Planning** – Supports development of projected statements and budgets (compares actual to planned). Data can be exported to be used in other systems.

- MYOB® - (http://www.myob-us.com) developed for Macintosh computers and small business applications. If you are a fan of Mac software this will help out. It will also run on a Windows® computer. I have not found educational materials for MYOB® that pertain to agriculture, so you could be going it alone (well, there are some for Australian farmers).
  - **Service** – MYOB® has programmed reports to assist in meeting the service role. Initialization and setup are critical for a good service role, e.g. federal, state, and local taxes. Setting up the accounting structure will meet the requirements of accounting professionals and audits if required for an incorporated farm. MYOB® has payroll add-ons, point-of-sale software, and credit card sales (think cash register) for on-farm-sales.
  - **Diagnostic** – Mostly programmed reports, user created budget (compare actual to planned), and the ability to export data to conduct analysis using a spreadsheet application.
  - **Planning** – Supports development of a projected budget and tracts spending. Data can be exported to be used in other systems.

Ag computer systems – Integrated records - These packages are designed to do it all -- accounting, payroll, field, crop, livestock, and analysis. Note: as the level of control and monitoring goes up so does the time spent learning, training, understanding basic operations, and conducting data entry and analysis. You will need a higher level of skills than with Quicken®.

- Redwing® (http://www.redwingsoftware.com/) accounting systems has been around since the DOS era like Quicken® and provides multiple packages from accounting, labor/payroll, calf records, and crop records. Redwing® has both agricultural and small business accounting systems. Redwing® supports recording and tracking quantities of sale and purchased items.
  - **Service** – has programmed reports to assist in meeting the service role. Setting up the accounting structure will meet the requirements of accounting professionals and audits if required for an incorporated farm. Initialization and setup are critical for a good service role, e.g. federal, state, and local taxes. An agricultural-related

payroll package can be purchased as an add-on and can accommodate point-of-sale software and credit card sales for on-farm-sales; these are second-party add-ons.
        - Cow/calf is an add-on for cow calf production records
        - EASi Suite is a second-party software offered by Redwing® for crop production records.
    - **Diagnostic** – Mostly programmed reports, user created budget (compare actual to planned), and the ability to export data to conduct analysis using a spreadsheet application.
    - **Planning** – Supports development of projected statements and budgets (compares actual to planned).
- FarmWorks® (http://www.farmworks.com) software came of age with the GUI (graphical user interface). Now all our interactions with computers are graphical and I'm showing my age. FarmWorks® offers a full range of software accounting, payroll, field/crop records, mapping, guidance, livestock, and integration with handheld devices, equipment and field monitors. One of the most comprehensive packages on the market.
    - **Service** – Initialization and setup are critical for a good service role, e.g. federal, state, and local taxes. Financial records are double entry accounting for both cash and accrual books so meets accounting standards. Agriculture-related payroll meets all the federal requirements, but check to see if your state's payroll requirements are included. See their web site for packages and pricing to fit the needs of your farm.
    - **Diagnostic** – Mostly programmed reports, user created budget (compare actual to planned), and the ability to export data to conduct analysis using a spreadsheet application. Uses of monitors, guidance systems, and other data systems will find more diagnostic/reporting information than on the financial side.
    - **Planning** – Supports development of projected statements and budgets (compares actual to planned). Will need to export data to other programs for detailed analysis.

Beyond record keeping - financial analysis and planning software. There are many ways to conduct analysis of a farm business, and often the analysis is tailored to the question being asked. Having good production and financial records and moderate skills in using spreadsheets, you can answer most questions. This just-in-time analysis is important, yet we also need to look at systematic analysis and building financial and production historical trends. Two examples of analysis and planning systems that I find useful are listed below:

- The Center for Farm Financial Managements software commonly called FINPACK (http://www.cffm.umn.edu/NewFINPACK). I started out my career using FINPACK in the late 1970's when it resided on a Honeywell mainframe computer and we used a teletype terminal to make runs (really showing my age now). The folks at the University of Minnesota have continued upgrading and improving this software and just released the newest version (Windows-based) in 2009. Note: FINPACK has a Quicken® and/or MS-Money interface (add-on) to import financial data directly for analysis. What do you get?
    - FINAN will analyze the past year's profitability and will develop a historical database of trends and financial ratios.

    - FINFLO projects operating loan transactions and balances, monthly crop and livestock inventories, and pro-forma income statements and balance sheets.
    - FINLRB will help you answer the "what if we do this?" question and will help you evaluate the financial implications before the money is actually committed.
- Integrated Farm Financial Statements (IFFS) (http://agecon.okstate.edu/iffs/index.asp) developed at Oklahoma State is an Excel-based program. IFFS is a set of interdependent workbooks and budget files: Crop and Livestock Budgets (CLBUD), Additional Information (AI), and Multiple-year Integrated Statements (MULTSTAT) that will help develop plans and follow-up analysis.

Heraclitus' statement is true 2,500 years later and sound records provide the reference point for managing change.

49th Virginia Tech Income Tax School

By L. Leon Geyer (geyer@vt.edu), Professor, Agricultural Law, Department of Agricultural and Applied Economics, Virginia Tech

This fall we have three seminars to offer:

1. General Income Tax Seminar

Two days of general sessions of intensive study with farm, Maryland tax, and ethics sessions at selected locations (see Table 1). All details can be found by contacting

Income Tax School Registrar
Mail Code 0272
Blacksburg, VA 24061
Fax: (540) 231-3306 Phone: (540) 231-5182
Email: vttax@vt.edu Web Page: www.tax.vt.edu

Topics covered in the agricultural session

Agricultural Issues

- 5-year depreciation recovery period
- Qualified deferred payment contracts
- Transitioning farm businesses to rental
- Social security strategies

Topics covered in the general sessions

- Sale of a vacation home following rental property treatment
- Stock options and AMT
- Foster care
- Adoption and surrogate mother
- Reverse mortgages
- Business use of home: planning—tax effect of claiming the business use of home deduction including the effect on listed property and the effect on sale of home
- Cell phones and land lines as fringe benefits
- Internet and computers
- Passive loss
- Constructive receipt and expense deduction (checks at end of year)
- I.R.C. § 179 deduction income limit
- Energy credits/provisions
- EITC due diligence
- Notices from more than one campus for the same taxpayer and the same tax year
- Substitute for returns
- Transferring collection cases to local offices
- Tax audits: explanation of the different types of audit
- How to communicate with IRS to fix problems
- How to perfect a general power of attorney
- Basis of mutual funds and other investments
- Form 1041: expenses subject to the 2% of adjusted gross income floor
- Sales of royalties and working interests
- Stock options and credits
- Real Estate Issues: financial distress; I.R.C. § 1031 exchanges; and easements
- Standard mileage rate and recapture
- Passenger automobile limits
- I.R.C. § 179 deduction
- Partial business use of automobiles
- Leasing an automobile
- Trade-in of vehicle
- Employee use of vehicle
- Reimbursement of employee for vehicle use
- Entity versus employee ownership of vehicles
- Safe harbor for farmers
- Recapture provisions
- Energy credits
- Hobby losses and vacation home limits
- Basis limitation
- At risk rules
- Passive activity losses
- Net operating losses
- C Corporations
- Military pay
- Combat zones (timing of bonuses)
- Financial distress issues
- Family issues
- Schedule A (Form 1040) deductions
- Basic return filing information
- Retirement issues
- Educational assistance

Table 1. General Sessions				
Site	**Date General Session 16 hrs.**	**Farm Session 2 hrs.**	**Maryland Session 2 hrs.**	**$20 extra Ethics Session 2 hrs.**
Richmond I	November 2-3	Day 1	none	Day 2
Staunton	November 4-5	Day 1	none	Day 2
Bristol	November 9-10	Day 1	none	Day 2
Roanoke	November 11-12	Day 1	none	Day 2
Falls Church	November 16-17	none	none	none
Lynchburg	November 18-19	Day 1	none	Day 2
Reston	Nov 30 Dec 1	none	Day 2	Day 1
Fredericksburg	December 2-3	Day 1	none	Day 2
Williamsburg	December 7-8	Day 1	none	Day 2
Chesapeake	December 9-10	none	none	Day 2
Richmond II	December 14-15	none	none	Day 1

2. Introductory Tax Preparation

Three 1-day seminars on Introductory Tax Preparation are scheduled for 4 locations and held in January 2010 (Table 2). These Introductory Tax Preparation Seminars are designed for those who are new or returning to tax preparation and want a course in basic preparation for a professional. The course is based on the 1040 Form. Other forms are discussed in terms of income and the 1040 form.

Table 2. Introductory Tax Preparation Seminars		
Site	**Date**	**Time**
Roanoke	Jan. 6, 2009	8:30-4:45
Falls Church	Jan. 7, 2009	8:30-4:45*
Richmond	Jan. 8, 2009	8:30-4:45

Calendar of Events

October

15	Marketing 101 Producer Workshop. 10:00-10:45 AM. Outlook on U.S. Economy. 11:00-11:45 AM. Contact Mike Roberts by phone at (804) 733-2686 or by email at mrob@vt.edu.
20	An Introduction to Grass-based Dairying. Topics include economics of grass-based dairying on the East Coast, and examples of limited and complete conversion to grazing. Contact the Augusta Agriculture Extension Office by phone at (540) 245-5750 for information.
22	Marketing 101 Producer Workshop. 10:00-10:45 AM. Outlook on U.S. Dairy Industry. 11:00-11:45 AM. Contact Mike Roberts by phone at (804) 733-2686 or by email at mrob@vt.edu.
23-24	Mid-Atlantic Grass-Finished Livestock Conference. Holiday Inn Conference Center, Staunton. Contact Margaret Kenney by phone at (434) 292-5331 or by email at makenny@vt.edu.
29	Outlook on French/European Union Dairy Markets and Trade. 10:00-10:45 AM. Marketing 101 Producer Workshop. 11:00-11:45 AM. Bonus Presentation on Livestock Revenue Protection. 1:00-2:00 PM. Contact Mike Roberts by phone at (804) 733-2686 or by email at mrob@vt.edu.
29	Local Foods Workshop – Getting Your Product Sold. Central Virginia. See flyer on page 15.

November

2-3	Income Tax Seminar. Richmond I. General Session: 8:30 AM – 4:45 PM; Evening Session: 5:00-7:00 PM. Cost: $270; after October 1: $300. A two-hour farm session is offered on Day 1. Ethics session offered on Day 2 is $20 extra. Contact Income Tax School Registrar by phone at (540) 231-3306 or by email at vttax@vt.edu.
4-5	Income Tax Seminar. Staunton. General Session: 8:30 AM – 4:45 PM; Evening Session: 5:00-7:00 PM. Cost: $250; after October 1: $280. A two-hour farm session is offered on Day 1. Ethics session offered on Day 2 is $20 extra. Contact Income Tax School Registrar by phone at (540) 231-3306 or by email at vttax@vt.edu.

5	Marketing 101 Producer Workshop. 10:00-10:45 AM. Outlook on Farm Energy / Bio-Fuels / Grain Outlook. 11:00-11:45 AM. Contact Mike Roberts by phone at (804) 733-2686 or by email at mrob@vt.edu.
9-10	Linking Urban and Rural Communities, the 7th Annual Small Farm Family Conference. Sheraton Richmond West Hotel, Richmond, VA. Contact Andy Hankins, 524-5960 Fax (804) 524-5714 or by e-mail cstreetman@vsu.edu.
9-10	Income Tax Seminar. Bristol. General Session: 8:30 AM – 4:45 PM; Evening Session: 5:00-7:00 PM. Cost: $250; after October 1: $280. A two-hour farm session is offered on Day 1. Ethics session offered on Day 2 is $20 extra. Contact Income Tax School Registrar by phone at (540) 231-3306 or by email at vttax@vt.edu.
11-12	Income Tax Seminar. Roanoke. General Session: 8:30 AM – 4:45 PM; Evening Session: 5:00-7:00 PM. Cost: $250; after October 1: $280. A two-hour farm session is offered on Day 1. Ethics session offered on Day 2 is $20 extra. Contact Income Tax School Registrar by phone at (540) 231-3306 or by email at vttax@vt.edu.
12	Marketing 101 Producer Workshop. 10:00-10:45 AM. Outlook on Input Costs. 11:00-11:45 AM. Bonus Presentation on Gross Margin Protection for Dairy Producers. 1:00-2:00 PM. Contact Mike Roberts by phone at (804) 733-2686 or by email at mrob@vt.edu.
16-17	Income Tax Seminar. Falls Church Express. General Session: 7:30 AM – 3:45 PM. Cost: $280; after October 1: $310. No farm session or ethics session offered at this location. Contact Income Tax School Registrar by phone at (540) 231-3306 or by email at vttax@vt.edu.
18-19	Income Tax Seminar. Lynchburg. General Session: 8:30 AM – 4:45 PM; Evening Session: 5:00-7:00 PM. Cost: $250; after October 1: $280. A two-hour farm session is offered on Day 1. Ethics session offered on Day 2 is $20 extra. Contact Income Tax School Registrar by phone at (540) 231-3306 or by email at vttax@vt.edu.
19	Marketing 101 Producer Workshop. 10:00-10:45 AM. Outlook on 2010 American Farm Outlook – General Health of U.S. Agriculture Industry. 11:00-11:45 AM. Contact Mike Roberts by phone at (804) 733-2686 or by email at mrob@vt.edu.
30-Dec. 1	Income Tax Seminar. Reston. General Session: 8:30 AM – 4:45 PM; Evening Session: 5:00-7:00 PM. Cost: $280; after October 1: $310. No farm session is offered at this location. Ethics session offered on Day 1 is $20 extra. Contact Income Tax School Registrar by phone at (540) 231-3306 or by email at vttax@vt.edu.

December

2-3	Income Tax Seminar. Fredericksburg. General Session: 8:30 AM – 4:45 PM; Evening Session: 5:00-7:00 PM. Cost: $270; after October 1: $300. A two-hour farm session is offered on Day 1. Ethics session offered on Day 2 is $20 extra. Contact Income Tax School Registrar by phone at (540) 231-3306 or by email at vttax@vt.edu.
7-8	Income Tax Seminar. Williamsburg. General Session: 8:30 AM – 4:45 PM; Evening Session: 5:00-7:00 PM. Cost: $270; after October 1: $300. A two-hour farm session is offered on Day 1. Ethics session offered on Day 2 is $20 extra. Contact Income Tax School Registrar by phone at (540) 231-3306 or by email at vttax@vt.edu.
9-10	Income Tax Seminar. Chesapeake. General Session: 8:30 AM – 4:45 PM; Evening Session: 5:00-7:00 PM. Cost: $270; after October 1: $300. No farm session is offered at this location. Ethics session offered on Day 1 is $20 extra. Contact Income Tax School Registrar by phone at (540) 231-3306 or by email at vttax@vt.edu.
14-15	Income Tax Seminar. Richmond II. General Session: 8:30 AM – 4:45 PM; Evening Session: 5:00-7:00 PM. Cost: $270; after October 1: $300. No farm session is offered at this location. Ethics session offered on Day 2 is $20 extra. Contact Income Tax School Registrar by phone at (540) 231-3306 or by email at vttax@vt.edu.

February 2010

5-12	North American Farmers' Direct Marketing Association (NAFDMA) Annual Convention. Lancaster, PA. Please see their web site for details as they become available at http://www.nafdma.com/.