

# Virginia Cooperative Extension



## Farm Business Management Update October-November 2010

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.

**Farm Business Management Update** is electronically accessible via the Virginia Cooperative Extension World Wide Web site (<http://pubs.ext.vt.edu/news/farm-business-management-update.html>). To see the articles listed in the reverse chronological order, select "News," then select "Farm Business Management Update" listed under the heading "Periodicals."

Gordon E. Groover  
Extension Economist, Farm Management and Farm Management Coordinator

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## Virginia Prepares Plan to Meet Chesapeake Bay TMDL

By James W. Pease ([peasej@vt.edu](mailto:peasej@vt.edu)), Extension Economist, Farm Management, Department of Agricultural and Applied Economics, Virginia Tech; Brian Benham ([benham@vt.edu](mailto:benham@vt.edu)), Associate Professor and Extension Specialist, Department of Biological Systems Engineering, Virginia Tech; and Erin Ling ([eiling@vt.edu](mailto:eiling@vt.edu)), Extension Associate, Department of Biological Systems Engineering, Virginia Tech

The Environmental Protection Agency (EPA) issued the Draft Chesapeake Bay Total Maximum Daily Load (TMDL) on Friday, September 24, 2010. The TMDL has been called a “pollution diet” for the Bay portion of the 64,000 square mile watershed, which extends across portions of 6 states and the District of Columbia. Any TMDL is an estimate of the maximum level of a pollutant that a water body can receive without violating water quality standards.

The following shows the EPA estimates of 2009 nitrogen (N), phosphorus (P), and total suspended solids (TSS) loadings to the Bay, the allocations required by the draft TMDL, and the percent reduction required by 2025:

	2009	2025	Reduction
Nitrogen (m lbs/yr)*	247.5	187.4	24%
Phosphorus (m lbs/yr)	16.6	12.5	25%
TSS (b lbs/yr)	8.1	6.1 – 6.7	17-25%
*Does not include loads or allocation of air deposition.			

Virginia, like other states in the Chesapeake Bay watershed, has developed a draft Phase 1 Watershed Implementation Plan (WIP), which details how the Commonwealth intends to reach the 2025 allocations and 2017 interim targets for each major basin assigned in the draft TMDL. As noted in the Virginia WIP, “Governor McDonnell has expressed directly to the Administrator of the U. S. Environmental Protection Agency, his concerns about the process, cost, legality, allocations, and compressed timing in the development of this plan.” It is likely that there will be political and legal challenges to draft TMDL and the final TMDL, which will be issued by May 2011.

The Bay TMDL will require that all measures necessary to achieve the N, P, and TSS TMDL target loads be in place by 2025. Virginia’s draft Phase 1 WIP describes strategies to reduce nutrient and sediment loading to the Bay from wastewater, onsite/septic, agriculture, and urban stormwater source sectors as they are described in the WIP. The Phase 1 WIP was developed with input from stakeholder groups representing the source sectors. Multiple commodity and other agricultural organizations represented the agriculture sector as stakeholders, including the Agribusiness Council, the Farm Bureau Federation, Poultry Federation, the State Dairyman’s Association, the Small Grain Producers, the Forestry Association, USDA/NRCS, and the Virginia Association of Soil and Water Conservation Districts.

The draft Phase 1 WIP details two implementation periods, one from 2011-2017 and the other from 2018-2025. Pollution control practices that achieve 60% of the needed nutrient and

sediment load reductions (based on model predictions) must be in place by 2017. Pollution control measures needed to achieve the remaining 40% of the required load reductions must be in place by 2025. In the draft TMDL, EPA outlines a process whereby subsequent WIPs, Phases 2 and 3, will be developed by the states in 2011 and 2017, respectively. The subsequent WIPs will specify the type and quantity of BMPs necessary to achieve the TMDL target loads at a more local scale (county or watershed).

The draft Phase 1 WIP describes the type and level of adoption of selected voluntary Best Management Practices (BMPs) necessary to achieve the TMDL goals. Pollution control for the agriculture sector focuses on implementation of five “suites” of BMPs: nutrient management, vegetative buffers, conservation tillage, cover crops, and livestock stream exclusion. The levels of voluntary implementation necessary to meet the 2017 interim targets are high, as can be seen below:

- Nutrient Management
  - NMPs by certified planners on 90% of cropland, specialty crop, and hay land
  - NMPs for 15% of pasture land receiving biosolids or manures
- Vegetative Buffers
  - 35’ foot forest or grass buffers on 33% of crop land bordering perennial streams
  - 35’ foot forest or grass buffers on 2% of hayland bordering perennial streams
  - 35’ foot forest or grass buffers on 25% of pastures bordering perennial streams (met through livestock exclusion)
- Conservation Tillage and Soil Conservation Plans
  - Conservation tillage on 80% of cropland; soil conservation plans on, respectively, 65%, 40%, and 40% of cropland, hay, and pasture land
- Cover Crops
  - Standard planting dates on 10% of cropland
  - Early planting dates on 10% of cropland
  - Harvestable commodity cover crops on 10% of cropland
- Livestock Stream Exclusion
  - Stream fencing on 45% of perennial waterways
  - Farms with 20 cows or more will be the focus

The Virginia WIP notes that substantial new federal funds will be necessary to achieve these levels of farmer participation. The final Virginia WIP is to be delivered to EPA by November 1, 2010. The draft WIP is available for download at the Department of Environmental Quality TMDL website <http://www.deq.state.va.us/tmdl>. Comments or questions on the draft Phase 1 WIP should be sent to [VABAYTMDL@dcr.virginia.gov](mailto:VABAYTMDL@dcr.virginia.gov). The draft Chesapeake Bay TMDL is available for public comment at

<http://www.epa.gov/reg3wapd/tmdl/ChesapeakeBay/drafttmdl/docs.html> and in a series of public meetings scheduled in Virginia by EPA in early October:

October 4: 6:00 to 8:00 p.m., Grafton Theatre, James Madison University, 281 Warren Service Drive, Harrisonburg

October 5: 6:00 to 8:00 p.m. Northern Virginia Community College, Annandale Campus, Ernst Community Cultural Center, 8333 Little River Tpke, Annandale

October 6: 6:00 to 8:00 p.m. Robins Pavilion Jepson Alumni Center, University of Richmond, 28 Westhampton Way, Richmond

October 7: 6:00 to 8:00 p.m. Crowne Plaza Hampton Marina Hotel, 700 Settlers Landing Road, Hampton

## **Managing Your Finances in a Drought Year**

**By Peter Callan ([peter.callan@vt.edu](mailto:peter.callan@vt.edu)), Extension Agent, Farm Business Management, Northern District**

Virginia farmers suffered a devastating drought this past summer. There is several management practices that producers need to accomplish before year end. Communication with your lender is paramount in a drought year.

Your lender is your business partner. I would suggest that you schedule a farm visit with your lender as soon as harvest is completed. The first area that needs to be discussed is the status of all accounts. If there are operating expenses (seed, fertilizer, fuel etc.) and/or a line-of-credit which cannot be paid due to reduced crops yields; I would suggest that you request a loan from your lender to pay these expenses. The supplier of your crop inputs is not a lender. Many of these suppliers charge interest rates of one and half to two percent per month which correlates to annual interest rates of 18-24 percent. Significant interest payments are saved with a bank loan which will have an annual interest rate of 4.5 – 6.5 percent. If roughages (haylage, corn silage and hay) will need to be purchased to feed your herd; I would suggest that you discuss how to pay for roughages with your lender. Sometimes the roughages can be paid for out of the milk check and/or livestock sales. On the other hand, beef and dairy producers may need a loan to pay for purchased roughages. The article “A Simple Management Tool: Breakeven Analysis Should I buy hay or sell cows? ([http://pubs.ext.vt.edu/news/fbmu/2010/08/article\\_3-fbu\\_08-10.html](http://pubs.ext.vt.edu/news/fbmu/2010/08/article_3-fbu_08-10.html)) discusses the decision making process that can be used to determine if a producer should buy hay for beef cows or sell the cows.

After discussing potential forage purchases and payment of accounts payable, the producer should talk with the loan officer about machinery which will need to be replaced in the coming years. Despite limited cash flow due to the drought, the producer may not be able to postpone the replacement of machinery that is worn out. Sometimes repair bills for a piece of equipment are higher than the loan payment for the new equipment. Repairs can cause the increased down time which may impact planting and harvesting of crops on a timely basis. If crops are not planted, sprayed and harvested on time, there may be significant reductions in yields which may reduce net farm income in future years.

Soil testing at the end of the harvest season may result in decreased fertilizer purchases during the next growing season. In drought years, crops may not use all the fertilizer that was spread on the soil due to reduced crop yields. It is likely that there will be a carryover of P and K to the following crop year and this carryover will reduce the amount of fertilizer needed next season. Consequently fertilizer expenses should be less the coming year assuming that there are not large increases of fertilizer prices prior to the next planting season. Soil testing is free to producers in VA. By soil testing in the fall, the producer will have time to analyze their soil test recommendations and calculate the level of fertilizer and lime inputs needed for next season.

Farmers should then consider the tax, cash flow, and short term debt implications of locking fertilizer costs and fall application of lime using a line-of-credit. But before taking these actions, I strongly encourage producers to contact their financial and tax advisors to help work out the trade-offs of managing cash flow needs, end-of-year sales of crops and livestock, short term debt, and year-end tax management strategies to maximize profits. Remember this needs to be done in November and December when you will have time to make sales or purchased. Finally, for livestock producers there are tax implications to discuss with your tax advisor if you were forced to sell animals due to the drought.

The federal tax code includes two provisions, sections 1033(e) and 451(e), which may benefit livestock producers who have been forced to sell larger numbers of livestock than normal during 2010 due to the drought conditions across Virginia. These provisions of the tax law allow farmers to either postpone gain by purchasing replacement animals within two years, 1033(e) election, or choose to defer income to the next tax year, 451(e) election. These tax management tools may help to level revenues over time resulting in a reduced tax liability for the 2010 tax year. The article “Drought Tax Laws May Benefit Livestock Producers in 2010” ([http://pubs.ext.vt.edu/news/fbmu/2010/08/article\\_4-fbu\\_08-10.html](http://pubs.ext.vt.edu/news/fbmu/2010/08/article_4-fbu_08-10.html)) in the August – September 2010 edition of the Farm Business Management Update. Producers need to keep accurate records of 2010 sales to document the sales of additional animals due to the drought. Producers should consult with their tax professionals to determine if these two provisions would be useful in filing 2010 tax returns.

It is essential for the producer to maintain lines of communication with his loan officer and accountant. Accurate records will enable your accountant to develop tax management strategies which can reduce income tax liabilities due to the drought. In addition, accurate records will enable the producer and loan officer to generate cash flow projections that can be used to repay loans that were incurred due to the drought.

## **Not Your Father’s Insurance**

**By Gordon E. Groover**

Not too long ago crop insurance was what its name implied. An insurance product was used to cover crop losses from a drought or other catastrophic problem that lowered yields below a threshold. It provided a floor that allowed farmers to cover most of their variable costs of production. Now jump ahead to 2010 and in Virginia, there are more than 37 insurance products available to insure field crops, feeder cattle, lambs, swine, milk, clams, vegetables, tree fruits, bees, nursery crops, crop revenue, farm revenue, and, pasture, rangeland and forage. Some of these product are limited to specific regions in Virginia, such as clams or available statewide, such as corn and soybeans. A sampling of some of general categories for the 37 policies in Virginia is listed below:

- **Actual Production History (APH)** policies insure producers against yield losses due to natural causes such as drought, excessive moisture, hail, wind, frost, insects, and disease. Coverage is available for most crops.
- **Adjusted Gross Revenue (AGR)** and **AGR-Lite** policies insure revenue of the entire farm rather than an individual crop by guaranteeing a percentage of average gross farm

revenue. Farm revenue can include a small amount of livestock revenue. The policies require information from a producer's Schedule F tax forms, plus current year expected farm revenue, to calculate a policy revenue guarantee. AGR is available in predominantly cash-grain areas whereas AGR- Lite is available statewide.

- **Dollar Plan (DO)** policies provide protection against declining value due to damage that causes a yield shortfall. The amount of insurance is based on the cost of growing a crop in a specific area. Coverage is limited to some counties in Virginia, and is limited to specialty crops and clams.
- **Livestock policies (LRP and LGM)** are designed to insure against declining market prices of livestock, but not any other peril. Coverage is determined using futures and options prices from the Chicago Mercantile Exchange Group. Price insurance is available for swine, cattle, lambs and milk. Livestock Gross Margin (dairy) provides coverage for the difference between milk and feed costs.
- **Rainfall Index (RI)** is based on weather data collected and maintained by the National Oceanic and Atmospheric Administration's Climate Prediction Center. The index reflects how much precipitation is received relative to the long-term average for a specified area and timeframe. The program divides the country into six regions of distinct weather patterns, with pilot contracts available in select counties. Contracts are limited to bees, pasture, rangeland, and forage.
- **Revenue Assurance (RA)** provides revenue protection against a decline in market prices as well as a shortfall in production. A loss situation arises when the dollar value of your production falls below the revenue guarantee. The policy is limited to cash grains.

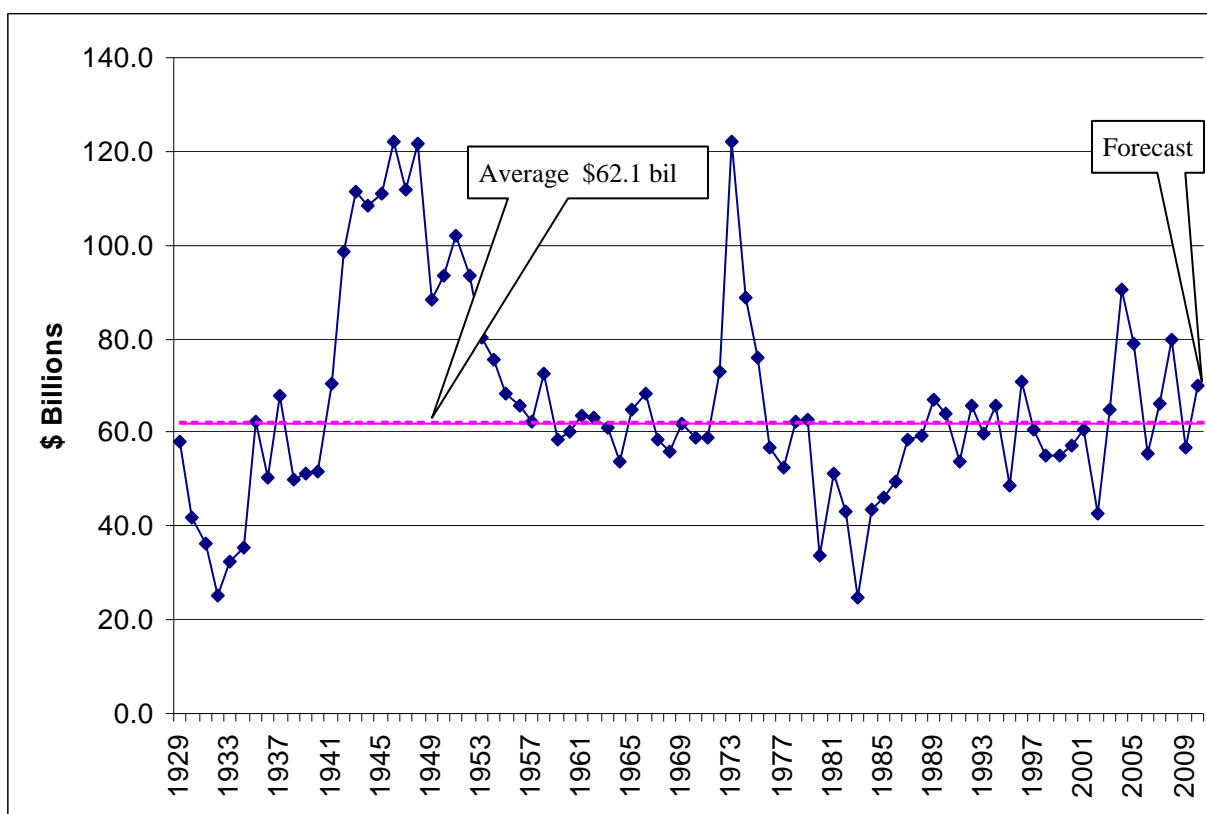
There are a multitude of insurance products that can be incorporated into your risk management and financial plan to reduce price, yield, and revenue risk for almost all types of agricultural activities. All Virginia's farmers should make an appointment with a crop insurance agent to explore the full range of risk management products available. This is information you should plan on reviewing annually to understand how current and new insurance products can reduce risk and increase the likelihood of survival of your business after a catastrophic loss. Signup takes place in the late winter for summer planted crops and in the late summer for small grains. Livestock policies are generally available throughout the year. For all closing dates, see the following web site [www.rma.usda.gov/data/sales-closing-dates/](http://www.rma.usda.gov/data/sales-closing-dates/). To locate an agent serving your area, visit the following web site: <http://www.rma.usda.gov/tools/agent.html>. Detailed information on all of these risk management policies can be found at the USDA Risk Management Agency web site <http://www.rma.usda.gov>.

## **The Management Calendar**

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

A quick comment on net farm income: USDA Economic Research Service forecasts that real U.S. Net Farm Income (2005 = 100) is projected to be \$69.8 billion, up \$13 billion from 2009. The historical average since 1929 has been \$62.1 billion, so 2010 for U.S. agriculture may have been a better than average year.





**Figure 1: Real Net Farm Income** (GDP Implicit Price Deflator: BEA, 2005=100)

Source: USDA-ERS Farm Income and Costs ([www.ers.usda.gov/Briefing/FarmIncome/Data/Constant-dollar-table.XLS](http://www.ers.usda.gov/Briefing/FarmIncome/Data/Constant-dollar-table.XLS)).

Selective information available that might be useful for fall reading:

- A good discussion of local foods systems is available for Northern VA in the publication *Local Food System Assessment for Northern Virginia*. The report was developed for the [FamilyFarmed.org](http://www.familyfarmed.org) in collaboration with the Wallace Center at Winrock International through the support of the Triskeles Foundation. Read the report at <http://www.familyfarmed.org/wp-content/uploads/2010/09/Northern-VA-LFS-Assessment-Final-Report.pdf>.
- Interested in an analysis of the shift in production away from small commercial farms to larger farms driven by financial pressures and aging operators on farms in the US? Then take a look at the USDA Economic Research Service publication title *U.S. Farm Structure: Declining--But Persistent--Small Commercial Farms* at [www.ers.usda.gov/AmberWaves/September10/Features/USFarm.htm](http://www.ers.usda.gov/AmberWaves/September10/Features/USFarm.htm).
- *Social Networking And Marketing For Colorado's Agricultural Producers* is an excellent discussion of how social networking can and is used for marketing. This publication is authored by Megan Phillips, Dawn Thilmany McFadden, and Martha Sullins, from Colorado State Cooperative Extension. This publications is found at: <http://dare.colostate.edu/pubs/amr09-05.pdf>.

- *Organic Program Handbook* was released by USDA Agricultural Marketing Service. This handbook provides guidance about the national organic standards and instructions that outline best program practices. It is intended to serve as a resource for the organic industry that will help participants comply with federal regulations. A copy can be viewed at <http://www.ams.usda.gov/AMSV1.0/NOPProgramHandbook>.
- Interested in additional information on grain marketing the visit the Center for Farm Financial Management [www.cffm.umn.edu/GrainMarketing/default.aspx](http://www.cffm.umn.edu/GrainMarketing/default.aspx). Grain Marketing Specialist Ed Usset has a multitude of timely and helpful information.

Farm business managers should consider putting the following activities on their management calendar this fall:

- Time to order your farm record book. As we enter the last quarter of 2010, 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 depreciation, 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](http://www.ext.vt.edu/pubs/agecon/446-016/446-016.pdf), or contact me at (540) 231-5850.
- 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, 2010. 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](http://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.

## **Temple Grandin to Speak at the 2011 Winter Forage Conferences**

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

*Essential Topics in Animal Agriculture: What Farmers Need to Know* is the theme for the Virginia Forage and Grassland Council (VFGC) and Virginia Cooperative Extension winter forage conferences. This is an ideal opportunity for all livestock producers to gain an understanding of animal psychology and behavior leading to: reduced stress and injury to animals and people; higher quality animal products; a safer work environment; improved animal welfare; and lower total costs of production.

This year's keynote speaker is Dr. Temple Grandin, Professor of Animal Science at Colorado State University and internationally known expert on animal behavior. She is listed in the 2010 TIME 100, Time magazine's annual list of the 100 most influential people in the world. Dr. Grandin will provide research-based insights and knowledge into animal behavior and how to improve transportation, handling, and working facilities to reduce stress and improve animal welfare.

Participants will also hear from Dr. Fred Provenza, Professor Emeritus in the Department of Wildland Resources at Utah State University and Dr. John Anderson, Livestock Economist for the American Farm Bureau Federation. Dr. Provenza will help farmers understand the practical science behind grazing behavior and how to train animals to enhance the environment. Dr. Anderson will provide insights into the global economics of animal agriculture and what that means for individual farm profitability.

The daylong conference will be repeated at three locations:

- Tuesday, January 18, in Wytheville at the Wytheville Meeting Center
- Wednesday, January 19, in Madison Heights at the Madison Heights Community Center
- Thursday, January 20, in Weyers Cave at the Weyers Cave Community Center.

The conferences will run from 8:30 am to 3:00 pm.

Please visit the VFGC web site (<http://vaforages.org>) for additional details and registration information.

The U.S. Department of Agriculture Natural Resources Conservation Service is also a sponsor.

## 51st Virginia Tech Income Tax School

By L. Leon Geyer ([geyer@vt.edu](mailto: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, Continuing and Professional Education  
702 University City Blvd., Virginia Tech, Mail Code 0272  
Blacksburg, VA 24061  
Fax: (540) 231-3306 Phone: (540) 231-5182  
Email: [vytax@vt.edu](mailto:vytax@vt.edu) Web Page: [www.tax.vt.edu](http://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

<ul style="list-style-type: none"><li>• Sale of a vacation home following rental property treatment</li><li>• Stock options and AMT</li><li>• Foster care</li><li>• Adoption and surrogate mother</li><li>• Reverse mortgages</li><li>• 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</li><li>• Cell phones and land lines as fringe benefits</li><li>• Internet and computers</li><li>• Passive loss</li><li>• Constructive receipt and expense deduction (checks at end of year)</li><li>• I.R.C. § 179 deduction income limit</li><li>• Energy credits/provisions</li><li>• EITC due diligence</li></ul>	<ul style="list-style-type: none"><li>• Sales of royalties and working interests</li><li>• Stock options and credits</li><li>• Real Estate Issues: financial distress; I.R.C. § 1031 exchanges; and easements</li><li>• Standard mileage rate and recapture</li><li>• Passenger automobile limits</li><li>• I.R.C. § 179 deduction</li><li>• Partial business use of automobiles</li><li>• Leasing an automobile</li><li>• Trade-in of vehicle</li><li>• Employee use of vehicle</li><li>• Reimbursement of employee for vehicle use</li><li>• Entity versus employee ownership of vehicles</li><li>• Safe harbor for farmers</li><li>• Recapture provisions</li><li>• Energy credits</li><li>• Hobby losses and vacation home limits</li></ul>
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<ul style="list-style-type: none"> <li>• Notices from more than one campus for the same taxpayer and the same tax year</li> <li>• Substitute for returns</li> <li>• Transferring collection cases to local offices</li> <li>• Tax audits: explanation of the different types of audit</li> <li>• How to communicate with IRS to fix problems</li> <li>• How to perfect a general power of attorney</li> <li>• Basis of mutual funds and other investments</li> <li>• Form 1041: expenses subject to the 2% of adjusted gross income floor</li> </ul>	<ul style="list-style-type: none"> <li>• Basis limitation</li> <li>• At risk rules</li> <li>• Passive activity losses</li> <li>• Net operating losses</li> <li>• C Corporations</li> <li>• Military pay</li> <li>• Combat zones (timing of bonuses)</li> <li>• Financial distress issues</li> <li>• Family issues</li> <li>• Schedule A (Form 1040) deductions</li> <li>• Basic return filing information</li> <li>• Retirement issues</li> <li>• Educational assistance</li> </ul>
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<b>Table 1. General Sessions</b>				
<b>Site</b>	<b>Date General Session 16 hrs.</b>	<b>Farm Session 2 hrs.</b>	<b>Maryland Session 2 hrs.</b>	<b>\$20 extra Ethics Session 2 hrs.</b>
Richmond I	November 1-2	Day 1	none	Day 2
Staunton	November 3-4	Day 1	none	Day 2
Abingdon	November 8-9	Day 1	none	Day 2
Lynchburg	November 10-11	Day 1	none	Day 2
Roanoke	November 15-16	Day 1	none	Day 2
Falls Church	November 18-19	none	none	none
Herndon	November 29-30	none	Day 1	Day 2
Fredericksburg	December 1-2	Day 1	none	Day 2
Williamsburg	December 6-7	Day 1	none	Day 2
Virginia Beach	December 8-9	none	none	Day 1
Richmond II	December 13-14	none	none	Day 1

## 2. Introductory Tax Preparation

Three 1-day seminars on Introductory Tax Preparation are scheduled for 3 locations and held in January 2011 (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.

<b>Table 2. Introductory Tax Preparation Seminars</b>		
<b>Site</b>	<b>Date</b>	<b>Time</b>
Roanoke	Jan. 4, 2011	8:30-4:45
Falls Church	Jan. 5, 2011	8:30-4:45*
Richmond	Jan. 6, 2011	8:30-4:45

## **8th Mid-Atlantic Dairy Grazing Conference and Organic Dairy Field Day October 11-13, 2010**

**By Steve Washburn ([Steve\\_Washburn@ncsu.edu](mailto:Steve_Washburn@ncsu.edu)), Professor, Extension Specialist, North Carolina State University**

Dairy grazers and dairy grazing enthusiasts from several states will be gathering in October to share and increase their knowledge about pasture-based and organic dairy production systems. The conference is based in Wytheville in Southwestern Virginia where Interstates 77 and 81 meet. The event begins with registration at the Wytheville Meeting Center on Monday, October 11, at 3:00 p.m. and concludes on Wednesday, October 13, at 2:15 p.m.

The program will feature speakers from several states including Dr. John Nieren of the Greenstone Grazing Group in Louisville, Georgia; Jon Bansen of Double J Jerseys in Monmouth, Oregon; Mr. Joe Horner, Extension Economist with the University of Missouri in Columbia, Missouri; and Dr. Larry Tranel, Dairy Field Specialist, Iowa State University Extension in Dubuque, Iowa. Eric Crowgey of Wytheville and Jay Richardson of Sugar Grove are two local dairy graziers that have agreed to host on-farm visits during the 3-day event. We will also have involvement of other resource people from the region including other dairy producers, NRCS and Extension personnel, and various representatives of companies and organizations that provide services to dairy graziers.

The program will cover many aspects of dairy grazing systems applicable to both experienced and to beginning dairy grazers. Topics include financial strategies to become “millionaire model dairy farms,” low-cost milking parlors, and management of cattle and pastures in various pasture-based and organic production systems. Some topic areas will be covered by presentations on farm and at the Meeting Center while other topics will be covered by panel discussions of dairy grazers and other speakers.

**Location:** Wytheville Meeting Center: [www.wythevillemeeetingcenter.com](http://www.wythevillemeeetingcenter.com)

### **Contacts:**

**Program information:** Steve Washburn

North Carolina State University

[Steve\\_Washburn@ncsu.edu](mailto:Steve_Washburn@ncsu.edu) (919) 515-7726

**Local arrangements:** Chase Scott

Virginia Cooperative Extension

[miscott1@vt.edu](mailto:miscott1@vt.edu) (276) 223-6040

Several hotels are available near the Wytheville Meeting Center

## Program Registration

### Mid-Atlantic Dairy Grazing Conference and Organic Dairy Field Day

Names \_\_\_\_\_ (\$100)

2nd \_\_\_\_\_ (\$50)

Additional \_\_\_\_\_ (\$50)

Additional \_\_\_\_\_ (\$50)

Address \_\_\_\_\_

\_\_\_\_\_  
*City State Zip*

County \_\_\_\_\_

Daytime Phone \_\_\_\_\_

Email \_\_\_\_\_

**Registration:** \$100 early registration (by September 30) and \$150 for on-site registration. Discounted rates of \$50 in advance or \$75 (on site) are available for students or family members from same farm. Limited scholarships available.

**Early registration: Post marked by**  
**September 30th, 2010**

Registration confirmation by email.

**Make Check Payable to:**  
**VFGC**

**Mail Check and Registration to:**

2010 Dairy Grazing Conf.  
Ms. Margaret Kenny  
3599 Indian Oak Road  
Crewe, VA 23930

# Alfalfa Haylage / Baleage Conference



## Dates and locations

December 7 Wytheville-Wytheville Meeting Center  
December 8 Rocky Mount-Franklin Center  
December 9 Weyers Cave-Weyers Cave Community Center



## Agenda

8:15-8:45 Registration  
9:00-9:50 Maximizing Yields of Alfalfa and Alfalfa/Grass Mixtures,  
*Dr. Dan Undersander, University of Wisconsin.*  
10:00-10:40 Proper Bale Wrapper Operation,  
*Billy Goode, Anderson Bale Wrappers, Inc.*  
10:50-11:10 Bale Wrapper Economics,  
*Dr. Gordon Groover, Agriculture Economist, VT.*  
11:20-12:00 Inoculants for Haylage crops,  
*Randy Cragoe, Cragoe Consulting, SD.*  
12:00-1:00 Lunch and visit with Sponsors  
1:00-1:50 Weed Management in Hay Fields,  
*Dr. Scott Hagood, Weed Scientist, VT.*  
2:00-2:50 Reducing drying time of Hay and Haylages with proper machine adjustment. *Dr. Dan Undersander, University of Wisconsin.*



For more information  
call Chase Scott  
276-223-6040  
276-780-2695  
miscott1@vt.edu

**Hay&Forage  
Grower**



Pre-registration if received  
by **December 1st**-\$20

Registration at door day of  
conference-\$25

Please detach and send in with registration.

Name \_\_\_\_\_

Address \_\_\_\_\_

Phone Number \_\_\_\_\_

Email \_\_\_\_\_

Number Attending \_\_\_\_\_

Conference (Please circle one) Wytheville, Rocky Mount,  
or Weyers Cave.

Please make check pay-  
able to VFGC Alfalfa  
Conference and send to

**Margret J. Kenny**  
**VFGC**

**3599 Indian Oak Road**  
**Crewe, VA 23930**



## Calendar of Events

### October

- 11-13      8th Mid-Atlantic Dairy Grazing Conference and Organic Dairy Field Day.  
Wytheville. Wytheville Meeting Center, 333 Community Blvd. Contact Chase  
Scott by phone at (276) 223-6040 or by e-mail at [miscott1@vt.edu](mailto:miscott1@vt.edu).

### November

- 1-2      Income Tax Seminar. Richmond I. General Session: 8:30 AM – 4:45 PM;  
Evening Session: 5:00-7:00 PM. Cost: \$280; after October 1: \$310. A two-  
hour farm session is offered on Day 1. Ethics session offered on Day 2 is \$25  
extra. Contact Income Tax School Registrar by phone at (540) 231-5182 or by  
email at [vttax@vt.edu](mailto:vttax@vt.edu).
- 3-4      Income Tax Seminar. Staunton. General Session: 8:30 AM – 4:45 PM; Evening  
Session: 5:00-7:00 PM. Cost: \$260; after October 1: \$290. A two-hour farm  
session is offered on Day 1. Ethics session offered on Day 2 is \$25 extra.  
Contact Income Tax School Registrar by phone at (540) 231-5182 or by email at  
[vttax@vt.edu](mailto:vttax@vt.edu).
- 8-9      Income Tax Seminar. Abingdon. General Session: 8:30 AM – 4:45 PM;  
Evening Session: 5:00-7:00 PM. Cost: \$260; after October 1: \$290. A two-  
hour farm session is offered on Day 1. Ethics session offered on Day 2 is \$25  
extra. Contact Income Tax School Registrar by phone at (540) 231-5182 or by  
email at [vttax@vt.edu](mailto:vttax@vt.edu).
- 10-11      Income Tax Seminar. Lynchburg. General Session: 8:30 AM – 4:45 PM;  
Evening Session: 5:00-7:00 PM. Cost: \$260; after October 1: \$290. A two-  
hour farm session is offered on Day 1. Ethics session offered on Day 2 is \$25  
extra. Contact Income Tax School Registrar by phone at (540) 231-5182 or by  
email at [vttax@vt.edu](mailto:vttax@vt.edu).
- 16-17      Income Tax Seminar. Roanoke. General Session: 8:30 AM – 4:45 PM; Cost:  
\$260; after October 1: \$290. Evening Session: 5:00-7:00 PM. A two-hour farm  
session is offered on Day 1. Ethics session offered on Day 2 is \$25 extra.  
Contact Income Tax School Registrar by phone at (540) 231-5182 or by email at  
[vttax@vt.edu](mailto:vttax@vt.edu).
- 18-19      Income Tax Seminar. Falls Church Express. General Session: 7:30 AM – 3:45  
PM. Cost: \$290; after October 1: \$320. No farm session or ethics session  
offered at this location. Contact Income Tax School Registrar by phone at (540)  
231-5182 or by email at [vttax@vt.edu](mailto:vttax@vt.edu).

29-30 Income Tax Seminar. Herndon. General Session: 8:30 AM – 4:45 PM; Evening Session: 5:00-7:00 PM. Cost: \$290; after October 1: \$320. Maryland Tax Update offered on Day 1. Ethics session offered on Day 2 is \$25 extra. Contact Income Tax School Registrar by phone at (540) 231-5182 or by email at [vttax@vt.edu](mailto:vttax@vt.edu).

## December

1-2 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) 231-5182 or by email at [vttax@vt.edu](mailto:vttax@vt.edu).

6-7 Income Tax Seminar. Williamsburg. General Session: 8:30 AM – 4:45 PM; Evening Session: 5:00-7:00 PM. Cost: \$280; after October 1: \$310. A two-hour farm session is offered on Day 1. Ethics session offered on Day 2 is \$25 extra. Contact Income Tax School Registrar by phone at (540) 231-5182 or by email at [vttax@vt.edu](mailto:vttax@vt.edu).

8-9 Income Tax Seminar. Virginia Beach. 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) 231-5182 or by email at [vttax@vt.edu](mailto:vttax@vt.edu).

7 Alfalfa Haylage and Baleage Conference. Wytheville at the Wytheville Meeting Center - 8:15 am - 2:50 pm Pre-registration if received by December 1<sup>st</sup> is \$20, or registration at door day of conference is \$25. Contact Chase Scott by phone at (276) 223-6040 or by e-mail [miscott1@vt.edu](mailto:miscott1@vt.edu).

8 Alfalfa Haylage and Baleage Conference. Rocky Mount at the Rocky Mount-Franklin Center - 8:15 am - 2:50 pm Pre-registration if received by December 1<sup>st</sup> is \$20, or registration at door day of conference is \$25. Contact Chase Scott by phone at (276) 223-6040 or by e-mail [miscott1@vt.edu](mailto:miscott1@vt.edu).

9 Alfalfa Haylage and Baleage Conference. Weyers Cave at the Weyers Cave Community Center - 8:15 am - 2:50 pm Pre-registration if received by December 1<sup>st</sup> is \$20, or registration at door day of conference is \$25. Contact Chase Scott by phone at (276) 223-6040 or by e-mail [miscott1@vt.edu](mailto:miscott1@vt.edu).

13-14 Income Tax Seminar. Richmond II. 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 \$25 extra. Contact Income Tax School Registrar by phone at (540) 231-5182 or by email at [vttax@vt.edu](mailto:vttax@vt.edu).

## January

- 4           Introductory Tax Preparation Seminars. Roanoke. 8:30 AM - 4:45 PM. Cost: \$140; after December 3: \$160. Contact Income Tax School Registrar by phone at (540) 231-5182 or by email at [yttax@vt.edu](mailto:yttax@vt.edu).
- 5           Introductory Tax Preparation Seminars. Falls Church. 7:30 AM - 3:45 PM. Cost: \$140; after December 3: \$160. Contact Income Tax School Registrar by phone at (540) 231-5182 or by email at [yttax@vt.edu](mailto:yttax@vt.edu).
- 6           Introductory Tax Preparation Seminars. Richmond. 8:30 AM - 4:45 PM. Cost: \$140; after December 3: \$160. Contact Income Tax School Registrar by phone at (540) 231-5182 or by email at [yttax@vt.edu](mailto:yttax@vt.edu).
- 18          VFGC Winter Forage Conferences. Wytheville, VA at the Wytheville Meeting Center. 8:30 AM - 4:00 PM. Visit <http://vaforages.org/> for details or contact Gordon Groover (540) 231-5850 or by email at [yttax@vt.edu](mailto:yttax@vt.edu).
- 19          VFGC Winter Forage Conferences. Madison Heights, VA at the Madison Heights Community Center. 8:30 AM - 4:00 PM. Visit <http://vaforages.org/> for details or contact Gordon Groover (540) 231-5850 or by email at [yttax@vt.edu](mailto:yttax@vt.edu).
- 20          VFGC Winter Forage Conferences. Weyers Cave, VA at the Weyers Cave Community Center. 8:30 AM - 4:00 PM. Visit <http://vaforages.org/> for details or contact Gordon Groover (540) 231-5850 or by email at [yttax@vt.edu](mailto:yttax@vt.edu).
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