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Cornell Cooperative Extension Central New York Dairy, Livestock and Field Crops

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Feeding Baleage to Sheep and Goats

By Ashley McFarland, Regional Livestock Management Specialist, CNYDLFC Team

Baleage is an excellent source of feed that often small ruminant operations have avoided. The main reason is quite often sheep and goat operations are at a much smaller scale and do not feel they can feed through the feed at a fast enough rate. However, baleage offers a low cost, high forage option for sheep and goats, which could really benefit these producers. Right now with a depressed market producers finding themselves cutting costs are somewhere. Feed costs are the highest cost on these operations. That being said hay prices this year are extremely high compared to the past three years due to the wet spring and summer. As our small ruminant farms look for ways to reduce their feed costs, baleage is one option that would fit this category. However, there are risks with choosing this option for their forage source. Baleage is a type of hay that is made into large round or square bales which is baled fairly wet (above 60% moisture) and stored in air tight plastic wrap. This type of forage requires a lot less drying time in the field, therefore there was quite a lot being made in May and June this year to get the feed off the fields. By making baleage farmers were able to get their hay off when it was ready vs. waiting until they had a 4 day dry window to make dry hay and the hay was past its prime.

This type of forage is more palatable for small ruminants and they tend to choose to eat baleage over dry hay if given the option. Due to the high risk of listeriosis, known circling also as disease in ruminants. It is recommended that you have a minimum of 25-30 ewes/does to utilize a bale fast enough. Sheep and goats are more susceptible to getting listeriosis than cattle due to their body mass. The bacteria that causes this disease is found in soil thrives in fermented the and environments under cold conditions, when oxygen is exposed. If the feed is processed and stored correctly the risk of listeriosis is much less. Another concern is mold, if the bale is not stored correctly and gets any oxygen exposure, mold will form. We often see mold affecting small ruminants much more than cattle.

More often than not, sheep and goat producers are purchasing their feed from an outside source off the farm. That being said, a good management practice to discuss with the seller is how the baleage was processed before purchasing. Asking a few simple questions can minimize the risk of listeriosis in your herd. Another good practice is to allow fermentation 6-8 weeks prior to feeding. Feeding baleage is a great way to decrease overall feed costs as well as provide high quality feed to does and proper management ewes, but the practices must be met in order to minimize the exposure of listeroisis.

Make Most of Your Fall Grazing

By Dr. Ted Wiseman, OSU Extension Educator ANR, Perry County

Take forage samples to determine what nutrient values are in the crop.

Depending on what part of the state or country you live in, this year has been another challenge with pastures and forages. Hay yields are all over the board as far as quantity.

Many in my area were able to get the first cutting off in great time this spring, but the quality has been surprisingly lower than expected. So as many finish up haymaking, now is a good time to take inventory of what you have and take forage samples to determine what nutrient values are in the crop.

If you find yourself with low forages going into fall, some options may include using land coming out of CRP contracts, cornstalks, cover crops, or a hayfield being converted into row crops.

Fall is an ideal time to construct new fencing, or repair existing, or implement temporary fencing. First evaluate what forage and water resources you have available. Other factors to consider are what type of livestock you have, and what type of fence will keep them contained.

All of these revolve around what materials are available, what are the costs and your time. Making these decisions is easier than ever before. We now can generate aerial photos to measure acreages with permanent fencing, determine exclusion areas, hayfields, and cropland.

Once you have a plan, keep it simple and flexible. Having a good perimeter fence allows for many more options. This reduces the safety hazard and liability concern of livestock on roads, or damage to field crops and gardens on neighboring properties.

The more limited the forages, the more livestock are going to test the fence. Limiting access to smaller sections of interior pastures and moving more often will help maintain forage quality, reducing livestock pressure on fencing.

Temporary fencing options

Temporary fencing options have expanded in recent years. Don't be tempted to use the cheapest and least efficient fencing equipment. More often this leads to more frustration and a shorter life span. The other concern is wildlife. Small braid or wire with low visibility is often damaged by deer. Good-quality visible polywire or tape, reels and posts, and adequate energizer will make the fall grazing season more flexible and enjoyable.

To have an effective electric fence to keep livestock contained and predators out is determined by what type of fence you have, the energizer and proper grounding. There are several types of energizers with some nice features on the market today.

The 110-volt plug-in type energizers typically will be the most economical for the most power. Battery energizers are portable and can be used in remote areas when electricity is not available. Generally, a 12-volt rechargeable, "D" cell or 9-volt disposable battery is used.

Solar energizers can also be used in remote areas, but they typically have the highest cost. Multipowered energizers, which combine any or all of the previously mentioned types, are a great feature if you are moving livestock from areas that have electric power to others that do not.

Whatever situation you're in moving into fall, take time to observe your forages and livestock. With grazing livestock, we are forage farmers first, only using livestock to manage them. Permanent pastures should be managed for the long term. Flexible fencing helps take advantage of those crops that can be used in years where we need to adjust for adversity.



Original article can be found at https://u.osu.edu/sheep/2023/09 /26/make-most-of-your-fallgrazing/

When Milk Prices Are Lousy - Should You Dream Big?

by Katelyn Walley-Stoll, Farm Business Management Specialist, SWNYDLFC Team

"Dairy pricing is cyclic" - something that we've all heard during every high and low cycle of milk pricing. This current lull in prices (lull being an understatement) has had me talking with a flurry of farms about management strategies, business planning, and the future of their farm. For many, the conversation usually isn't about pulling out of dairy production entirely, but rather finding a middle ground that brings some stability to farm income and cash flow. Usually, talks around dairy farm diversification can be a hum of big dreams and lots of excitement. However, if you've read any of my previous articles on farm diversification, you'll know that it's not always the best fit for everyone. Indeed, farm diversification isn't one size fits all and there are other strategies farms can implement to weather periods of tight, or negative, margins. From my humble perspective, diversifying your dairy, in the right situation, can lead to positive results. In this situation, farm diversification looks like adding additional enterprises (things you produce) that could provide other streams of income. Here I've got five ideas for consideration for those would like to brainstorm and dream. But - I would caution folks against going forth and building big without strongly considering farm business plan and financial implications.

1. Value Added Dairy. Most often, we think of dairy farm diversification as processing your own milk and selling it direct to consumer. While this can be worthwhile and have higher profit margins, it's extremely complex with a high investment cost. We do see a growing demand for locally produced dairy products as consumers purchase "for the story". *Note – we actually have a project going right now that focuses on value added dairy and includes resources, webinars, tours, and discussion groups.

2. Alternative Livestock. The sometimes not so fun thing about cows is that they require a lot of equipment to maintain. This includes barns, manure handling, crop production, and more. However, this intensive capital demand does lend itself to creating opportunities for other livestock. Once you're used to raising cows, you can easily add other animals to your operation. Selling these other animals, usually for meat production, provides an additional stream of cash income. This could include beef, sheep, goats, pork, poultry, and more.

When Milk Prices continued

3. Alternative Crops. Along with having all of the things to raise animals, dairy farms also have all of the things to feed cows. This includes equipment that can grow other crops – or crops for other cows. Diversifying revenue streams with crop production could look like selling an extra crops other farms, or changing what's planted to sell to other markets.

4. Agritourism. Another trendy option for diversification is ag tourism. This might look like farm tours, social media, farm-to-table opportunities, and on-farm sales. This helps to improve the industry's relationship with consumers and can provide other income streams. This is the trickiest venture, in my experience, because of the added risk, exposure, and considerations for dairy producers. However, it's incredibly rewarding!

5. Energy. Solar. Wind. Methane. Timber. Natural Gas. All topics that can be triggering to some, but can provide business saving income to others. This decision will vary from farm to farm with lots of consideration, but exploring renewable energy opportunities can provide significant cash streams in the right situations.

With farming, risk management is always at the top of mind. Farm diversification can help as a price risk management tool by increasing the number of revenue streams to decrease the impact of market highs and lows. However, there is always added risk whenever you're venturing into something new. It's important to consider these risks and protect your farm accordingly. This could include enhanced safety plans, production processes, insurance coverage, and more. For more information about farm diversification, contact Katelyn Walley-Stoll at 716-640-0522. This article was written as part of Cornell Cooperative Extension's "Diversifying Your Dairy" initiative. This material is based upon work supported by USDA/NIFA under award number 2021-70027-34693.





National Institute of Food and Agriculture

Managing Corn Rootworm in NY to Delay Bt Resistance (& Save Seed Costs)

by Elson Shields, Entomology, Cornell Univ., Ithaca

Note from Erik Smith, Field Crop Specialist: The following article was published a few years ago, but with an increase in reports of rootworm populations overcoming GMO traits across NY, it's time to revisit a tried-and-tested option for long-term insecticide resistance management for soildwelling insect pests: entomopathogenic nematodes. Please reach out to Field Crop Specialist Erik Smith for more details on how to source and deploy these nematodes on your farm.

Across the US and within NY, corn rootworm (CRW) is developing resistance to the Bt-RW traits in our GE corn varieties, causing increased root damage and decreasing yields. Yield losses from CRW root feeding can surpass 10% without any above ground symptoms, making this type of losses difficult to detect. In addition, corn grown for silage is more sensitive to yield losses from CRW feeding than corn grown for grain. As CRW resistance increases to Bt-RW, the damage becomes more apparent and easier to detect, but losses have been occurring in the field in prior years, going undetected. Increased damage has been reported in NY for all of the Bt-RW traits regardless of company.

Important points about CRW biology: There are two important points about CRW biology which need to be remembered when managing this pest and reducing its potential for developing resistance to any of our management tools.1) In NY, all eggs are laid in existing corn fields during August, and 2) if the newly hatch CRW larvae in the spring do not find a corn root, they die. Since CRW eggs are laid in existing corn fields in August of prior year, crop rotation is our best resistance management tool. Since the majority of the corn grown in NY is in rotation with alfalfa for our dairy farms, NY trails the rest of the nation in the development of CRW resistance to Bt-RW.

For our dairy farmers that grow corn in rotation with alfalfa, corn is typically grown in a field for 3-5 years. The longer corn is grown continuously in a field, the higher risk the field has for economically damaging CRW root feeding and yield losses. After rotating out of a non-corn crop, first year corn does not need any CRW management (or expensive Bt-RW trait costs). A non-Bt-RW corn variety should be planted with a seed corn maggot/wireworm effective seed treatment. This choice in year 1 saves \$15-\$20 per acre in seed costs. In year 2, the risk of CRW loss increases to 25-30% in NY. To offset this risk, a farmer has several options. Many farmers will assume the risk and plant a non-Bt-RW corn variety without any additional protection such as a soil insecticide. A second option in year 2 is to use either a 50% rate of soil insecticide (if insecticide boxes are available), high rate of neonic seed treatment or an insecticide added to the liquid popup fertilizer. The CRW pressure in year 2 is not high enough to recommend the use of Bt-RW in most cases and the option of an insecticide is often a less expensive route to reduce production costs. The deployment of different modes of toxicity in year 2 from Bt-RW significantly reduces the selection for Bt-RW resistance by CRW.

Managing Corn continued

In continuous corn years 3-5, the risk of economic loss from CRW is high enough to merit the use of Bt-RW corn varieties. A second option in years 3-5 of continuous corn is the use of a full rate of soil insecticide, if insecticide boxes are available. Adding insecticide to the popup fertilizer during years 3-5 is not recommended due to unreliable efficacy with the higher CRW populations and increased risk for economic damage.

Strategy 2 for our dairy farmers: Incorporating biocontrol nematodes into their rotation and crop production.

By using the biocontrol nematode technology developed to combat alfalfa snout beetle in NNY, our dairy farmers can reduce their corn seed costs by eliminating the purchase of the Bt-RW traits in their corn varieties. A single inoculation of each field with native persistent NY biocontrol nematodes provides protection from corn rootworm larval feeding by attacking these insects before they damage the corn roots. NY research data indicates a single soil inoculation (\$50-\$60/acre) establishes these NY adapted biocontrol nematodes in the soil profile for many years, where they attack a wide range of pest soil insects across a wide variety of crops. During the corn years, these biocontrol nematodes attack rootworm larvae and during the alfalfa years, attack wireworms, white grubs, clover root curculio feeding on the alfalfa and grass in the field.

If the biocontrol nematodes are inoculated into the field during the alfalfa portion of the crop rotation, the farmer can use corn varieties without Bt-RW for the entire corn rotation. Biocontrol nematodes take until the second growing season after application to become fully established in the soil profile and when applied to the alfalfa crop, become fully established before corn is planted. If the field is inoculated with biocontrol nematodes during the first year of the corn rotation, the corn variety planted in year 1 can be without the Bt-RW trait because rootworm is never a problem in 1st year corn in NY. By the second year, the biocontrol nematodes are fully established and corn varieties can be planted without Bt-RW for the remaining years of the corn portion of the rotation.

However, if the corn field is inoculated with biocontrol nematodes during the 2nd-4th year when rootworm damage risk is higher, the corn variety planted during the year of inoculation needs to have the Bt-RW trait to provide some additional protection while the biocontrol nematodes become fully established in the field. If the cost of establishing biocontrol nematodes in a field is a one-time cost of \$50-60/acre and the Bt-RW trait adds \$20/acre/year to the seed costs, the breakeven point for the nematode application is year 3 when the Bt-RW trait is not purchased or used. In the years beyond 3-years after application, the seed cost savings will continue to be the cost of the Bt-RW which is an unnecessary expense.

Managing Corn continued

For our cash grain farmers, an annual rotation of corn and a non-host crop like soybeans completely eliminates the need for any CRW management tools. During the corn years, non Bt-RW corn varieties can be safely planted without risk of losses from CRW. The elimination of the Bt-RW trait in the corn planted reduces the seed cost \$15-\$20 per acre and the use of a Bt-RW trait is completely unnecessary. However, a seed treatment for seed corn maggot to protect plant emergence is recommended due to our typically wet cold soils. The enhanced adoption of cover crops to protect our soil from erosion and any history of animal manure application significantly increases the risk of plant stand losses from seed corn maggot.

Long-term continuous corn fields: The culture of corn continuously in the same field for multiple years using only Bt-RW to control CRW places tremendous selection pressure for the insect to develop resistance to the Bt-RW toxins. This widespread practice across the corn belt has resulted in the documented CRW resistance to all Bt-RW traits and the insect is causing economic losses for farmers adopting these continuous corn practices. Closer to home, Bt-RW failures have been reported in Central NY corn fields, multiple corn growing areas of Ontario, Canada and to the south in Pennsylvania. With no new technology against CRW available for the next few years, these growers have a real challenge on their hands to minimize losses from this adaptable insect, if these farmers continue with long-term continuous corn production without breaking the CRW cycle with crop rotation. Farmers with fields producing corn continuously for multiple years need to seriously consider working a crop rotation into their farming practices. There are well documented agronomic yield advantages/responses from crop rotation over continuous corn, even without considering the reduction in CRW root feeding damage.

However, if farmers insist on growing continuous corn in field without interruption, there are several issues to consider. The continued use of Bt-RW accelerates CRW resistance and the single field failure becomes the source of highly resistant beetles moving into neighboring fields, causing significant yield losses even in neighboring fields where farmers are utilizing crop rotation to minimize CRW-Bt-RW resistance development and yield losses. The farmer growing continuous corn and producing highly resistant beetles becomes "a neighborhood social problem" for his neighbors. Some farmers add a soil insecticide over the top of the Bt-RW trait, think this is a solution to the resistance issue. While the corn stands better with less damage at the plant base, selection for CRW Bt-RW resistance continues to accelerate within the root system in areas outside of the soil insecticide treated zone.

The addition of biocontrol nematodes to the continuous corn culture is a way of introducing an independent mortality factor to help the Bt-RW trait control rootworm larval populations. However in these high CRW pressure systems, biocontrol nematodes should not be used alone. CRW has developed resistance to every other management strategy used to manage its damage, biocontrol nematodes used alone will also select for CRW resistance. If farmers are interested in incorporating biocontrol nematodes into their continuous corn production, farmers should continue to use varieties with the Bt-RW trait to continue to kill the susceptible CRW larvae or match the use of biocontrol nematodes with a full rate of soil insecticide.

Manure Can Offset Nitrogen Fertilizer Needs and Increase Corn Silage Yield Value of Manure Project 2022 Update

by Juan Carlos Ramos Tanchez, Kirsten Workman, Allen Wilder, Janice Degni, and Quirine Ketterings, Cornell University Nutrient Management Spear Program, PRO-DAIRY, Miner Agricultural Research Institute, and Cornell Cooperative Extension

Introduction

Manure is a tremendously valuable nutrient source. When used appropriately (right rate, right timing, right placement method), it can help build soil organic matter, enhance nutrient cycling, and improve soil health and climate resilience. Sound use of manure nutrients can decrease the need for synthetic fertilizer, thus, lowering whole farm nutrient mass balances and contributing to reduced environmental footprints.

Current guidance for nitrogen (N) credits from manure recognize that N availability depends on the solids content of the manure (lower first year credits for manure with >18% solids than for liquid manure). It also recognizes that the amount of N in manure is affected by how it is collected, stored, treated (solid liquid separated, composted, digested, etc.), and land-applied (timing and method). Higher shares of manure N will be available to crops when manure is applied closer to when crops need it and if manure is injected or incorporated into the soil right after it is applied versus left on the surface.

In the past two decades since manure crediting systems were developed, many different manure treatments technologies have been implemented on farms and reevaluation of the N crediting system for manure is needed. Furthermore, recent studies have shown that manure can increase yield beyond what could be obtained with N fertilizer only. Thanks to funding from New York Farm Viability Institute (NYFVI) and the Northern New York Agricultural Development Program (NNYADP), we initiated the "Value of Manure" statewide project to evaluate the N and yield benefits of various manure sources and application methods. Three trials were conducted in 2022. Here we summarize the initial findings.

What we did in 2022

Trials were implemented on three farms. Each trial had three strips that received manure and three that did not, for a total of six strips (Figure 1a). Strips were 1200-1800 ft long and 50-80ft wide. When corn was at the V4-V6 stage, each strip was divided into six sub strips (Figure 1b) and side dressed at a rate ranging from 0 to up to 192 pounds N/acre, depending on the farm. All three farms applied liquid untreated manure, ranging from 7,525 to 15,000gallons/acre in the spring.



Figure 1. Layout of a Value of Manure study plot. Three Strips received manure before planting (1a). At the V4-V6 corn stage each of the six strips received six different inorganic N sidedress rates (1b).

Soils on farm A were Lima and Honeoye (Soil Management Group [SMG] 2), farm B had a Hogansburg soil (SMG 4), and farm C had Valois and Howard soils (SMG 3). The farms implemented and harvested the trial. The Cornell team sampled for general soil fertility, Pre-Sidedress Nitrate Test (PSNT), Corn Stalk Nitrate Test (CSNT), and silage quality. Each trial was harvested with a yield monitor.

What we have found so far

Corn silage had a different response to manure and inorganic N sidedress in each of the study farms (Figure 2). Farm A responded to both the application of manure and inorganic N fertilizer. In that farm manure application was able to offset 58 lbs N/acre and presented a0.6 ton/acre yield advantage at the Most Economic Rate of N (MERN), the rate of N that maximizes economic returns, compared to plots with inorganic N fertilizer application only(Figure 3). The application of inorganic N fertilizer and manure had no impact on the yield of farm B, showing that the field already had enough N and did not need any N addition(fertilizer or manure). At farm C, yield did not respond to the application of inorganic N sidedress (the field by itself provided enough N to the crop), but yield was higher when manure was applied: on average manured plots yielded 1.5 ton/acre higher than the no-manure plots. The MERN for farms B and C was 0 lbs N/acre both with manure and without it.

The PSNT and CSNT levels of the manured plots were higher than their nomanurecounterparts for all three studies, showing that manure supplied N (Table 1). Both manureand no manure plots in farm A had optimum CSNT levels at the MERN, showing that manurewas able to offset 58 lbs N/acre.



Figure 2.. Effect of manure application and different nitrogen sidedress rates on corn silage yields in three New York farms. Error bars are standard deviations.



Figure 2.. Most economic rate of N (MERN) in farm A. Without manure, the MERN was 114 lbs. N/acre with a yield at the MERN of 28.5 tons/acre. With manure, the MERN was 56 lbs. N/acre, with a yield at the MERN of 29.1 tons/acre.

Table 1. Effect of manure application on Pre-Sidedress Nitrate Test)PSNT) and Corn Stalk Nitrate Test (CSNT) at the Most Economic Rate of Nitrogen (MERN) of nitrogen fertilizer applied at sidedress time. The MERN for farm A was 56 lbs. N/acre with manure, 114 lbs. N/acre without manure. The MERNs for farms B and C were 0 lbs. N/acre. For CSNT: L = Low, M = Marginal, O = Optimal, E = Excess

	PSNT (ppm)		CSNT at MERN (ppm)	
Manure	Yes	No	Yes	No
A	57	29	1,276 O	1,557 O
В	23	15	3,759 E	1,462 O
C	113	62	7,931 E	639 M

Conclusions and Implications (and Invitation)

The trials of 2022 show the range of possible responses, with one trial not showing a yield or N benefit of the manure, one trial showing a yield increase when manure was applied that was not due to N addition, and one showing both a yield and N fertilizer benefit from manure. This shows the importance of targeting manure application to fields with low past N credits, where it will be most likely to cause a yield respond. Additional trials are needed with various manure sources (raw manure, separated liquids, solids, digestate, etc.) before we can draw conclusions about the N and yield benefits of manure. Join us for the 2023 Value of Manure project and obtain valuable insights about the use of manure in your farm! If you are interested in joining the project, contact Juan Carlos Ramos Tanchez at jr2343@cornell.edu.

Additional Resources

The NMSP Value of Manure Project website and on-farm field trial protocols are accessibleat:

http://nmsp.cals.cornell.edu/NYOnFarmResearchPartnership/Value_of_Manure.html (website) and

http://nmsp.cals.cornell.edu/NYOnFarmResearchPartnership/Protocols/NMSP_Valu e_of_Manure_Protocol2023.pdf (protocol).

Acknowledgments

We thank the farms participating in the project for their help in establishing and maintaining each trial location, and for providing valuable feedback on the findings. For questions about this project, contact Quirine M. Ketterings at 607-255-3061 or qmk2@cornell.edu, and/or visitthe Cornell Nutrient Management Spear Program website at: http://nmsp.cals.cornell.edu/

How to Choose a Tax Professional

by Dr. Tamara L. Cushing, Extension Forest Business and Economics Specialist, University of Florida

Introduction

Choosing the right accountant or tax return preparer can be a crucial decision for farmers, ranchers and forest landowners. Part of this important decision is based on personality, but there are some key questions that should be asked of potential (and maybe even current) providers of these important services regarding their ability to handle specific issues related to agriculture and forestry enterprises.

The questions below are certainly not the only questions that could be asked and should not replace "gut feelings." They are meant to help think through what to ask and what the accountant's or tax preparer's responses mean.

Questions to Ask Potential Accountants or Tax Preparers

What are your qualifications?

Before you hire anyone to keep your financial records and/or complete your tax return, make sure they are qualified to do so. There can be several different qualifications. Here are some to look for:

- A degree in accounting and possibly in taxation; maybe a law degree.
- Certification by a state licensing body or the Internal Revenue Service (IRS). This may include CPA, Licensed Tax Consultant (LTC), Licensed Tax Preparer (LTP), Enrolled Agent (EA), tax attorney, and some Certified Financial Planners (CFP) are also able to provide tax services. Some states require paid preparers to have specific qualifications to complete state tax returns while some states may not. Qualified, licensed and or certified tax preparers may be found through various locations some of which can be found at the conclusion of this document.
- Non-credentialed preparer: these preparers may hold no educational or other professional credentials but are authorized by the IRS to prepare tax returns as long as they hold a PTIN (Preparer tax identification number) and complete the required continuing education requirements required by the IRS and or state regulatory agency.
- All preparers should have a PTIN.

What services do you provide?

You should know and understand whether the accountant or tax preparer actually provides the services that you are looking for. Not all tax return preparers perform everyday accounting functions or will prepare all return and form types. Determine your needs, and then find out if the accountant or tax preparer can provide those particular services for you. Ask whether the preparer would represent you in the case of an audit or if other issues arise. Not all preparers are able to represent a client in Tax Court should you need this. The following licenses/certifications can represent a taxpayer in "front" of the IRS: Certified Public Accountants (CPA), Enrolled Agents (EA) which have passed IRS examinations to become Tax Law Specialists, and Tax Attorneys. The following license or certification holders have limited rights representing a taxpayer: Annual Filing Season Program (AFSP), and holders of a Preparer Tax Identification Number (PTIN) holders

What percentage of your clients are farmers, ranchers and/or forest landowners? This is an important question! You want a tax preparer who is familiar with enterprises such as yours. Tax provisions for farming and forestry are specialized and not all preparers will be familiar with the intricacies of a farm/ranch or forest operation. Ask about their experience with other farmers and landowners and with properties of similar size and revenue level. It is also important to know whether they have experience with filing returns that may include income averaging (schedule J), feeder animals, breeding livestock, direct to consumer sales, USDA program payments, crop insurance, timber sales, reforestation, and casualty losses.

How will I be charged for your services?

There are different ways that a tax preparer will charge you for their services. You need to know and estimate this upfront. Tax preparers must also follow specific guidelines set by the IRS on notification of how the charges are accrued. Be sure to **determine up front whether you will be charged by the hour, by the form, or a combination of both.** Will you be charged for phone calls, responses to emailed or texted questions, etc.?

Consider providing your new tax preparer a file with past returns to assist them in learning about your operation. If a tax professional must spend time to investigate your records to get the information necessary to complete a tax return, continually needing to ask you questions or for additional information that was not provided, you will most likely be charged substantially for this.

Many taxpayers may be surprised by the large variation in cost, this is usually due to the experience of a tax professional, their credentials, licenses held, and education level. The fact is that if you take your information to two different tax professionals to prepare your tax return, the outcome should be the same or very close dependent on tax management strategies that you and the tax professional have discussed.

How do you handle issues you are unfamiliar with?

You may not be able to find an accountant or tax preparer with lots of farm and forest operations experience. By asking this question, you hope to learn how they handle situations that aren't within their normal operations. Are they willing to attend continuing education on farm and forestry-related taxation or review printed material on the subject? The provider may have a more-experienced colleague (internal or external) who they can communicate with for assistance. You may need to connect your farm advisor or forester with the tax preparer.

Are you conservative or aggressive when handling tax matters that are "gray"?

Find a preparer who matches how aggressive you are willing to be on tax matters. If you are not willing to take risky positions on a deduction but your preparer is, you will be uncomfortable. If the preparer does not want to deduct items that you are willing to try, the accountant may "fire" you as a client or you will become frustrated at the tax professional. Taxes and accounting may seem like there are a lot of concrete rules but there are some gray areas that are open to interpretation or require the review of court cases, and other resources for meaningful insight into a particular situation.

Will you represent me if I am audited?

If you are audited, you might want to have the tax return preparer available to explain how to proceed and to defend your interpretation of a specific code section. You should also find out what you would be charged for their services through an audit. It is not uncommon that tax preparers may be willing to assist you in an IRS audit up to a certain point then recommend seeking and hiring a tax specialist to represent you in case of a more intense audit situation or IRS procedure, this is even the case with some tax attorneys. It is important to know the limitations of whom you will be hiring to work for you.

Are you available for consultation throughout the year?

There are many strategies to reduce taxes. Having access throughout the year to a tax preparer who is familiar with your situation may help you plan transactions with tax implications in mind. It is also highly recommended that you meet with your tax professional 30-60 days prior to the end of the tax year (calendar year for most) for a tax management strategy discussion.

Summary

Choosing a tax preparer is an important task. Find a professional who has the experience and knowledge that best match your enterprise whether that be a farm, ranch or forest. It is important to remember that whomever you choose, works for you. But they must follow the law, the Internal Revenue Code, and other regulations. Each tax professional must follow specific ethical standards and guidelines. Your tax preparer is a part of your larger team and will work with you and your other advisors.

Where to Look for an Accountant or Tax Preparer

Here are some suggestions for where to find potential accountants and/or tax preparers.

- Ask other farmers, ranchers, and forest landowners who they work with and trust.
- Ask a resource professional: Your farm advisor or forester may know of tax preparers who have worked with other farmers or landowners and who are aware of issues specific to these types of enterprises.
- Professional groups and organizations representing tax professionals such as the State Bar Association, CPA associations, and EA associations may provide lists of their members.
- In many states, CPAs, CFPs and others may be required to register with the state licensing board for accountants/tax preparers.
- Internal Revenue Service directory of federal tax return preparers: www.irs.treasury.gov/rpo/rpo.jsfd

Additional Topics

This fact sheet was written as part of Rural Tax Education a national effort including Cooperative Extension programs at participating land-grant universities to provide income tax education materials to farmers, ranchers, and other agricultural producers. For a list of universities involved, other fact sheets and additional information related to agricultural income tax please see RuralTax.org.

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