

Nebraska Farm Business, Inc.

Yielding Success Through Financial Management

ATTENTION PC MARS USERS:

At-Home PC Mars Users... did you know there is a new patch out for PC Mars? If you go to pcmars.com, you will find the hyperlink that will update your PC Mars Version to 2.4.4.



CALLING ALL ACCOUNTING CLIENTS!

Have you started to think about your accounting records for 2016? Get your bank statements in today!

- You will have timely records for income and expenses for your operation
- It's easier to code 3 months of statements vs. 10 months
- You will avoid our late Fees! NFBI needs to have the first 6 months (Jan.-June) processed by September 1st to avoid late fees!

Form 2290-Heavy Highway Use...

NFBI can E-file the 2290 Heavy Highway Use form AND get a IRS stamped Schedule 1 for you all within the same day! All we need back from you is a signed copy of the 8879, stating you give us permission to e-file your 2290 return! Contact Kayla (Kayla@nfbi.net) or Anthony (Anthony@nfbi.net) with questions or comments!

Do you need to file the 2290?

-If you drive a vehicle that is over gross weight of 55,000 lbs. or more over public roads– no matter if it is licensed to you or in a LLC, Corporation, Partnership or held by another entity

Has NFBI filed your 2290 in the past? All we need from you is...

- Has any truck information changed over the last year?
- Did you purchase or sell a truck?
- Let us know if you would like us to do it again, we will not automatically process without your acknowledgment! Look for a reminder postcard coming your way soon!!!

Do you want NFBI to file your 2290 for the first time? What we need from you is...

- Your EIN Number (if your consultant doesn't already have it) Don't have one? We can get one for you!
- VIN Numbers for the truck(s)
- Whether or not your truck(s) are suspended – If you drive your truck 7,500 miles or less for agricultural use (5,000 miles or less for commercial use) during the tax period, you get to claim suspension.

June/July Edition, 2016

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2015 Nebraska Regional Net Farm Incomes: What Is Normal?

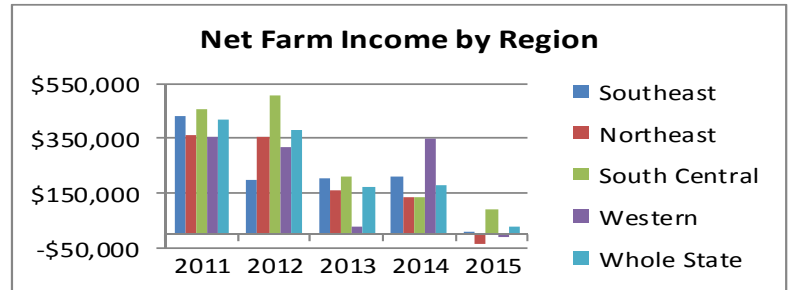
When you drive across the state of Nebraska diversity can be seen throughout, no two areas are the same. There are many differences across the state, especially when looking at the agricultural industry.

The four regions of the state have different types of operations that are reflected in the averages. The northeast and Western Regions have a greater influence from livestock operations than the South Central and Southeast region. This diversity in operations across the state can be seen in the regional net farm income numbers.

The net farm incomes that we've seen in the last five years may look as though the industry has taken a large hit, but in reality we need to remember that those years that were "high" were not the "normal" of the agricultural industry.

2015 was a year that brought many changes to the surface for the agricultural sector across the state. Depending on what type of operation, whether it be crop, livestock, or both, net farm incomes dropped across the board. With margins in the livestock industry falling back to the "old normal" and the crop industry not having the profits that had been seen in the last few years, times look tough for the agricultural industry as a whole, especially when comparing year to year.

2011 was a year that reflected great grain prices and exceptional yields. The side effects of drought in 2012 were seen from all angles of the ag sector; if you could irrigate things were good, if you were a dryland operation, production suffered and if you were in the livestock industry high feed costs took a hit on the wallet. 2013 and 2014 both saw influences of dropping grain prices, but the margin in the livestock industry widened as cattle prices hit an all time high.



Webinars...Webinars...Webinars

NFBI is working on putting together a group of webinars. There has been **2015 Whole State Averages** and **2015 Top Efficient Averages** webinar recorded. A link is available on our website that will take you to our YouTube Channel!

Go to www.nfbi.net, click on the Farm Library tab, and find the webinar highlighted in red! Or go to YouTube.com and search for Nebraska Farm Business!

Stay tuned for more coming your way!

Beginning Farmer Analysis Program

If you OR someone you know is interested in our beginning farmer analysis program, be sure to pass along our contact information!

The Beginning Farmer would receive:

- Discounted Analysis Pricing for 5 Years
 - On farm benchmarking visits
 - Benchmarking Data Reports

SUMMER VISITS are right around the corner!

Did you do the Analysis this year? Or are you interested in starting the Analysis Program? We will go through a detailed outlook of your operations analysis and benchmarking figures

Do you want a PC MARS check-up? Whether you are new to PC Mars or have been doing it for a while, it never hurts to have your operations books looked over more than once a year!

Do you have larger questions regarding your operation? Having a summer visit with your consultant is a great time to sit and look into those questions/concerns!

If you know of a time that would work best for you feel free to call the office and set-up an appointment with your consultant, otherwise your consultant may touch with you!



2016 Mileage Rates



Business Mileage Rate	\$0.54
Medical Mileage Rate	\$0.19
Charitable Mileage Rate	\$0.14

Did you get an IRS or State Notice with a balance Due?



Remember, don't just pay the notice you received. Be sure to have your consultant check into the matter specified, many times they are not correct!

Accounting Tip: Remotely Deposited Transactions

As it is becoming more and more popular to use the remote deposit features to make deposits into your bank account, it may be an area of question when it comes time to process your bank statements! Depending on how the financial institution records the transaction when it is received, knowing exactly what was deposited might be hard to see. We have seen that some banks are still creating deposit-like images and running them through with the other bank statement images and others are just showing up on statements as "Remotely Deposited" with no description or vendor!



Help from Farm Credit Services of America... Farm Credit is now offering the Remote Deposit feature to their clients, BUT as we are processing the accounting reports we have found that if you are using the feature and NOT filling out the memo line it only appears as "RD Deposit." Our office has no way of knowing or interpreting what the deposit was for or who it was from! Farm Credit staff gave us some insight to helping us with the problem and what you can do to help out!

- When using the Mobile Deposit feature on your smart phone, there is a **MEMO** field! Be sure enter a description of the deposit into that field
- Whatever is entered in that field will appear as the line on the statements received from Farm Credit
- The memo line allows 7 characters so descriptions might have to be creative, but a little help is better than none at all! This will save you time in the long run....you won't have to answer as many questions for your consultant in November and December



ARE YOU PAYING YOUR SPOUSE JUST ENOUGH TO COVER THEM FOR SOCIAL SECURITY BENEFITS?

A raise may be in store for them! if they are not receiving at least \$5,040 for 2016, they are not receiving full coverage of social security benefits. Talk to your consultant today if you have questions!



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NEW FACES AT NEBRASKA FARM BUSINESS.

Juli Capek... Farm Financial Assistant

Juli grew up in Geneva, NE on her family's farm where they grow corn, soybeans, and alfalfa. Her family also has a cow/calf operation.

She graduated from UNL in December 2015 with a Bachelor's Degree in Agribusiness with an emphasis in Banking & Finance.

Outside of work, she enjoys going home and helping her dad, skiing in the winter, and going to the lake in the summer.



Ethan Doyle... Farm Financial Assistant

Ethan grew up in McCook, Nebraska. He graduated from UNL in May of 2016 with a degree in Agriculture Economics with a minor in Animal Science.

In his free time he enjoys hunting, fishing, working on the farm, and spending time with friends and family.

Ethan ,Juli and Clare will be working along side of the consultants during summer travels and projects! They will also be part of the tax planning visits and tax season!