

# Nebraska Farm Business, Inc.

June/July 2019

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Important Dates:

- June 20th: PC Mars Training
- June 27th: PC Mars Training
- July 4th-5th: NFBI Closed
- August 1st: Photo Contest Deadline
- August 22-23rd: Good Farmer Class
- August 31st: Form 2290 Due
- September 5th-6th: Good Farmer Class

## Form 2290-Heavy Highway Use Due August 31st

NFBI can e-file the 2290 Heavy Highway Use form AND get an 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 that you give us permission to e-file your 2290 return. Contact Anthony (Anthony@nfbi.net) with questions or comments.

**Who needs to file the 2290?**

- Anyone who drives a vehicle that has a 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...**

- Whether or not your information has changed since last year
- If you purchased or sold any trucks

Let us know if you would like us to do it again, we will not automatically process without your acknowledgement. Look for a reminder postcard coming your way soon.

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

- Your EIN Number (if your consultant doesn't 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 agriculture (5,000 miles or less for commercial use) during the tax period, you get to claim suspension.

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## Summer Visits

Summer is a great time to sit down and discuss many topics with your consultant from reviewing your analysis, to beginning some early tax planning. If you participate in the analysis there is **no additional fee** for a summer visit, and during this time we can work on benchmarking your operation, reviewing your 2018 books, and tax planning. If you don't currently participate in the analysis program you can still request a summer visit, but there will **likely be an additional charge** depending on the length of the visit. This time can also be spent discussing bigger issues such as entity planning, retirement, or transition planning.

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## In Office Accounting

It's getting to be that time of the year to get caught up on your accounting. The end of the year will be here before we know it, so to avoid those last minute coding sessions, get caught up today. This also helps spread the workload out for our staff to help prevent being overloaded during November and December.

## Late Policy

We prefer to receive your bank statements monthly or quarterly so we can provide you timely, updated reports. As a reminder, our late policy kicks in during the month of October and any statements we receive that are over 3 months late will be charged at double the hourly rate. This is to help cover extra overtime that we must pay to get late statements processed timely.

## Articles You Might be Interested In

If you have suffered from a casualty loss or your crops and livestock have been affected by weather related incidents, you might be interested in the following articles on our website:

- ◆ Tax Consequences to Weather Related Sales
- ◆ Casualty Loss Updates

These articles can be found on our website at [www.nfbi.net](http://www.nfbi.net) —> Farm Library —> Income Tax

## Upcoming Class Opportunities:

### PC Mars Training

We will be holding 2 separate training sessions for those of you who are interested in learning more about the PC Mars program, or possibly looking to improve your skills with the program. Please feel free to bring your laptop and bank statements along if you want to interact during the training.

#### Topics discussed will include:

- \* Tips on Basic Data Entry
- \* Check Writing
- \* Backing Up and Restoring Accounting Books
- \* Setting up Shortcuts
- \* Special Transactions
- \* Other Q&A Led Discussion

**Where:** NFBI's Office (3815 Touzalin Ave., Ste. 105, Lincoln, NE)

**When:** June 20th @ 1:30 PM  
June 27th @ 1:30 PM

#### Costs

#### **In-Office Training or Webinar:**

Members: \$50

Non-Members: \$75

If you are interested in this PC Mars training please call our office and register by Friday, June 14th. If you choose to participate via the live Webinar, we will email you a Webinar link that will allow you to participate in the class.

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## Good Farmer to Great Manager

### Who should participate in this class?

This class is designed to be a very basic level record keeping course. It starts with why you need to keep reconciled books and ends with understanding some of the ratios you can calculate from a balance sheet and income statement. We will also cover the differences between cash and accrual accounting and the places for both. The goal is that by the end of the course you know why it is important to keep good records and how to maintain them. Going forward, this will help with the tax return being prepared correctly and having an analysis prepared. If you already are participating in the financial analysis program with NFBI, you are likely already doing most of the things included in this class, but you are welcome to participate if you want.

### What's next?

Due to the popularity of this program and the interest it sparked, we are working on developing a Good Farm to Great Manager, Part 2 class. Watch your newsletters for more on this. We will be working to understand the information provided in a financial analysis. Because of this, we highly encourage you have an analysis done. We feel it will be most beneficial if you have YOUR ratios, YOUR breakeven calculations and all of YOUR data, so as we talk about these items we know they are calculated the same for benchmarking and discussion. We will not be sharing your personal information but it will be helpful for you to have access to it as we compare to averages, etc.

### Class Dates:

- 1PM-5PM on August 22nd and 8AM-Noon on August 23rd
- 1PM-5PM on September 5th and 8AM-Noon on September 6th

Please call our office to reserve your spot.

*\*A minimum of 5 individuals/entities will be required for the PC Mars Training and Good Farmer to Great Manager in order for the class to occur.*

## Photo Contest

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Nebraska Farm Business would like to expand our photo library! We use many photos in newsletters, articles, on the cover of our average books and client analysis books, as well as on our website.

Take a photo(s) of an ag related scene such as a crop field, cattle in a field/feedlot, sunset over a hay field, etc., and submit it to Bailee by email at [bailee@nfbi.net](mailto:bailee@nfbi.net) by August 1st. Multiple submissions are welcome! A winner will be chosen and given a \$50 Visa gift card.

*\*By submitting a photo(s) in the contest, NFBI has the right to use the picture in any future publications or on their website.*

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# Rain, Rain, Go Away... Questions

## By: Brad Heinrichs, NFB

With an unprecedented amount of moisture this fall, winter, & spring, we are now encountering more and more questions about Prevented Planting. The harsh winter, coupled with the devastating floods in March, coupled with continued rain in May has provided for a perfect storm of sorts. This is rather unusual for many parts of the state (and country), but I hope we can shed some light on Prevented Planting.

In simple terms, Prevented Planting is not being able to plant the insured crop by final planting date or within the late planting period due to an insured cause of loss that also prevents other farmers from planting acreages with similar characteristics. Prevented Planting may not be taken for uninsured causes of loss, such as lack of proper equipment or labor to plant acreage in a timely fashion.

While Final Plant Dates for corn have passed for the state of Nebraska, we are still within the late planting period, and many farmers are still trying to weigh all options and make decisions. There are many things to take into consideration if looking to take Prevented Planting or plant within a late planting period—crop rotations; fertilizer/herbicide applications; economics; potential yields if planted late; potential trade aid or MFP payments.

**Final Plant Dates for Corn in Nebraska is May 25** (Yellow, White, or Hybrid Seed Corn).

**Final Plant Dates for Soybeans in Nebraska is June 10.**

**Late Planting Period is May 26-June 19 for Corn** (yellow, white, seed) and **June 11-July 5 for Soybeans.**

### **What do I do AFTER the final Plant Date?**

Determine if you would like to plant within the late planting period. You will need to assess if you will be able to plant in a manner that will allow for necessary yields, etc.

If you decide that you would like to plant in the “Late Planting Period” (25 days after the final plant dates), you may plant your crop.

If you decide to not plant within the Late Planting Period due to personal choice or conditions being poor, you need to contact your crop insurance agent ASAP to claim Prevented Planting on those acres.

### **What if I decide to plant in the “Late Planting Period”?**

Your acre guarantee/insurance coverage decreases by 1% each day after the final plant date if planting within the late planting period. You are not obligated to plant within the Late Planting Period.

### **Am I required to plant within the Late Planting Period?**

No. A farmer does not need to plant within the Late Planting Period.

### **What are things to keep in mind if I decide to put in a claim for Prevented Planting?**

- 1) Keep records of event(s) such as pictures of flooding/standing water/etc. Keep records of inputs already paid or put in the ground (fertilizers, pre-emergence chemicals, seed purchased, etc.)
- 2) Claiming Prevented Planting will need to be at least 20 acres or 20% of the field/unit.
- 3) Must still report the Prevented Planting acres to insurance agent by Acreage Reporting Deadline as well as the FSA office.
- 4) PP Acres will not affect APH if no other crop is planted in the late planting period.
- 5) You may plant a cover crop, but cannot hay/graze until AFTER November 1. This will NOT reduce Prevented Planting payments.
- 6) You may plant a 2<sup>nd</sup> crop or Cover Crop before the late planting period ends, but this WILL DECREASE or CANCEL any Prevented Planting claim payment. Contact your agent or myself for more information.

### **What is my payment for Prevented Planting?**

Payment for Prevented Planting is 55% of your crop guarantee for Corn (yellow, white) and 60% for Soybeans. For Hybrid Seed Corn, it is 45% of crop guarantee. Contact your insurance agent for more details.

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# about Prevented Planting Answered

## Crop Insurance Inc. Agent

**What do I do with the ground once Prevented Planting (PP) is claimed to ensure 100% of my PP claim will be paid?**

- 1) Leave idle.
- 2) Plant an approved Cover Crop. This cannot be hay or grazed prior to November 1. It may also be left until next year's planting as long as Cover Crop termination rules are followed prior to planting next crop year.

**Can I plant a Cover Crop in my prevented planting acres?**

- 1) Yes. Many farmers choose to plant a cover crop for erosion control, soil health, etc. There are specific guidelines to be met to ensure payment is not affected. Contact your agent for more details.

**What if I want to plant a cover crop in my Prevented Planting acres but don't want it to affect my PP payment?**

- 1) Cover Crop cannot be hayed or grazed prior to Nov 1.
- 2) If a Cover Crop is chopped for silage purposes, this is considered a 2<sup>nd</sup> crop and makes PP Payment void.

**What is a 2<sup>nd</sup> Crop?**

- 1) A crop that is planted after the 1<sup>st</sup> intended planted crop or intended crop that was unable to be planted.
- 2) A Cover Crop is considered a 2<sup>nd</sup> crop if it is planted for purpose of haying, grazing, or harvesting in any manner (ie silage), or that is hayed or grazed prior to November 1<sup>st</sup> of the current crop year. Or that is harvested at any time.

**What if I want to plant a "2<sup>nd</sup> Crop" into my prevented planting acres?**

- 1) **2<sup>nd</sup> Crop Example 1:** If corn was your 1<sup>st</sup> crop and you are prevented from planting due to excessive moisture, corn has a late planting period. Soybeans are planted in the corn late planting period of corn. Corn is not eligible for a PP payment and soybeans will have to be insured 100%.
- 2) **2<sup>nd</sup> Crop Example 2:** The 1<sup>st</sup> insured crop is corn and you are prevented from planting due to excessive moisture by Final Plant Date. Corn has Late Planting Period. Soybeans are planted AFTER Late Planting Period for 1<sup>st</sup> crop (corn). Soybeans are an insurable crop on policy. Corn PP Payment would reduce to 35% and Premium is reduced to 35%. Soybeans must be insured. Late planting reductions would apply to soybeans. The Corn APH database will receive a yield plug of 60% of the approved yield.

**If I claim Prevented Planting, do I still need to pay my insurance premiums on those acres?**

- 1) Yes. 100% of your insurance premiums will be due when a PP claim/payment is paid.
- 2) However, if you plant a 2<sup>nd</sup> crop within the Late Planting Period your premium will be reduced to 35% on the first insured crop as well as your PP payment will be reduced.

**If I take PP on acres, will this affect any potential trade aid or Market Facilitation Program Payment?**

- 1) At this time, there has been no clear explanation regarding this from the USDA. Initial comments have indicated that any PP acres will not receive MFP payment. A farmer can only make decisions based upon what information is concrete. A decision on PP acres may have to be made without this piece being set in stone.

Overall, **communicate early and often** with your crop insurance agent. Within 72 hours of the final plant date or the final late planting period date, as soon as you determine you are unable to reasonably plant (even when in the late planting period). The general rule – the earlier the better! If any further questions or specific questions, be sure to contact your crop insurance agent or I would be happy to answer any questions you may have.

If any questions, please feel free to contact Brad at 402-984-6474 or [brad@nfbi.net](mailto:brad@nfbi.net).

There is no doubt, for many producers, this year has been heartbreaking and completely abnormal. Hopefully things are looking better in the coming weeks and farmers may get the relief they need, both with weather and markets. We hope the rain doesn't leave us alone all summer, just enough to allow farmers to get the tasks done in a timely fashion. So—

🎵 Rain, Rain, Go Away --- 🎵 Until we need it again to make our crops grow!



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Nebraska Farm Business Inc. will be closed on Thursday, July 4th and Friday, July 5th to celebrate Independence Day. We wish everyone a happy and safe holiday!

## Job Opening Available

Our Administrative Assistant position is currently open! The following are a list of job duties included with the position:

- Answer phones
- Greet clients
- Provide day-to-day management of the office
- Assist with general office duties as needed
- Help with the promotion of NFBI
- Purchase supplies for the office, as needed
- Cleaning and maintenance, as needed
- Manage the client database
- Manage electronic data
- Coordinate with IT consultants on technology troubles, software installs, etc.
- Complete E-file process

Please visit our website at [www.nfbi.net](http://www.nfbi.net) for a more detailed list of duties/expectations that come with the job. To apply, please email your resume and cover letter to [anthony@nfbi.net](mailto:anthony@nfbi.net). Please call our office with questions.