

**Tuesday, May 12, 2009**  
 Speaker: Dr. Neil E. Harl  
 7:30 room open  
 seminar 8am-noon and 1-5 pm

**FARM INCOME TAX**

**New legislation**

**Reporting farm income**

- Leasing land to family entity
- Constructive receipt of income
- Deferred payment and installment payment arrangements for grain and livestock sales
- Agricultural program payments
- Payments from contract production
- Items purchased for resale
- Items raised for sale
- Federal gas tax credit
- Crop insurance proceeds
- Weather-related livestock sales
- Sales of diseased livestock
- Reporting federal disaster assistance benefits
- Gains and losses from commodity futures
- Section 1231 transactions
- Long-term capital gains treatment
- Earned income credit, income averaging
- Transferring farm property in a divorce

**Claiming farm deductions**

- Soil and water conservation expenditures
- Fertilizer deduction election
- Depreciation
- Farm lease deductions
- Prepaid expenses
- Interest
- Preproductive period expense provisions
- Travel expense
- Paying rental to a spouse
- Deducting environmental cleanup costs
- Paying wages in kind
- Section 105 plans
- Meals and lodging for employees

**Ruling requests**

- Technical advice, letter rulings.

**Sale of property**

- Income in respect of decedent
- Sale of farm residence
- Installment sale including related party rules
- Private annuity
- Self-canceling installment notes

**Cancellations:** The Agricultural Law Press may cancel or postpone any one or more days of these seminars because of insufficient enrollment or other unforeseen circumstances. In this event, the Press will refund registration fees but cannot be responsible for any other related costs, charges or expenses. A full refund of the registration fee will be made to any participant who is unable to attend and who notifies the Agricultural Law Press in writing on or before five business days prior to the program date. Refunds will not be granted for no-shows or cancellations after the seminars begin. Substitutions are allowed.

**Tax deduction for educational expenses** Treasury Regulation § 1.162-5 permits an income tax deduction for educational expenses undertaken to (1) maintain or improve skill in one's employment or other trade or business or (2) meet the express requirements of an employer or a law imposed as a condition for retention of employment job status or rate of compensation.

**Questions** Call Robert Achenbach, (1-541-466-5544) or e-mail: robert@agrilawpress.com.

Sale and gift combined.

**Like-kind exchanges**

- Requirements for like-kind exchanges
- "Reverse Starker" exchanges
- What is "like-kind" for realty
- New like-kind guidelines for personal property
- Partitioning property
- Exchanging partnership assets

**Taxation of debt**

- Turnover of property to creditors
- Discharge of indebtedness
- Taxation in bankruptcy.

**Wednesday, May 13, 2009**  
 Speaker: Dr. Neil E. Harl  
 7:30 room open  
 seminar runs 8am-noon and 1-5 pm

**FARM ESTATE AND  
 BUSINESS PLANNING**

**The Liquidity Problem**

**Property Held in Co-ownership**

- Federal estate tax treatment of joint tenancy
- Severing joint tenancies
- Joint tenancy and probate avoidance
- Joint tenancy ownership of personal property
- Other problems of property ownership

**Federal Estate Tax**

- The gross estate

**Special use valuation**

- Family-owned business deduction
- Property included in the gross estate
- Claiming deductions from the gross estate
- Marital and charitable deductions
- Taxable estate
- The unified credit and other credits
- Unified estate and gift tax rates
- Generation skipping transfer tax
- Federal estate tax liens
- Undervaluations of property
- Reopening an examination

**Gifts**

- Income tax implications of gifts during life
- Federal gift tax
- Transferring life insurance

**Use of the Trust**

**Corporations**

- Creating one or more entities
- The "Mizell" problem

- Alternative strategies for shifting ownership and control from parent(s) to on-farm heirs
- Fundamental tasks in planning to accommodate the interests of off-farm heirs
- Losses from passive activities
- "Imputation" rules
- Buy-sell agreements
- Federal farm program payment limitations

**The General Partnership**

- Features of a partnership
- Employee status

**Limited Partnerships**

- Income tax status
- Family limited partnerships
- Valuation discounts

**The Closely-Held Corporation - Introduction**

- State anti-corporate farming restrictions
- Developing the capitalization structure
- Tax-free exchanges
- Would incorporation trigger a gift because of severance of land held in joint tenancy?
- "Section 1244" stock

**Income Tax Status of the Corporation as a Farmer**

- The regular method of income taxation
- The Subchapter S method of taxation

**Employee Status**

- Advantages and disadvantages
- Should the corporation own the residences?
- Should the corporation own the automobiles?
- Health and accident plans

**Social Security**

- In-kind wages paid to agricultural labor

**Financing, Estate Planning Aspects and Dissolution**

- Would corporate status affect the status of an operation as a borrower from Federal and Federally related agencies?
- Corporate stock as a major estate asset
- Valuation discounts
- Dissolution and liquidation

**Limited Liability Companies**

- General nature of entity
- Management of LLCs
- Doing business in other states as an LLC
- Dissolution of an LLC
- Income tax treatment of LLCs
- Self-employment tax considerations

**Seminar Registration Form**

**Agricultural Tax Seminars in Grand Island, NE, May 12-13, 2009**

Note: Each person attending any of the seminar sessions must register and pay the seminar fee. Please send a separate form for each registrant (you may photocopy this form).

Please register me for:

\_\_\_\_\_ Tuesday, May 12, 2009 "Farm & Ranch Income Tax"  
 \_\_\_\_\_ Wednesday, May 13, 2009 "Farm & Ranch Estate and Business Planning"

**Registration fees**

For registrations postmarked \_\_\_\_\_  
 before May 1, 2009 \_\_\_\_\_  
 after April 30, 2009 \_\_\_\_\_  
 \$220 (\$200\*) for any one day \_\_\_\_\_ \$250 (\$230\*) for any one day \_\_\_\_\_  
 \$400 (\$370\*) for both days \_\_\_\_\_ \$430 (\$400\*) for both days \_\_\_\_\_

\* Discounted prices in parentheses are for current or new subscribers to the *Agricultural Law Manual*, the *Agricultural Law Digest*, or *Principles of Agricultural Law*. Discounted fees may also be used for more than one registrant in the same firm, even if they attend different days.

If you are not a current subscriber to the *Agricultural Law Manual*, the *Agricultural Law Digest* or *Principles of Agricultural Law* you can still take advantage of the reduced seminar rate by ordering any publication with your registration. The publications may also be purchased online with a credit card at www.agrilawpress.com

\_\_\_\_\_ I am not a current subscriber; please send me the following publication(s) (we will include an invoice) so I can take advantage of the reduced registration fee:

- \_\_\_\_\_ *Agricultural Law Digest* (\$90.00 for one year of 24 biweekly issues by e-mail)
- \_\_\_\_\_ *Agricultural Law Digest* (\$120.00 for one year of 24 biweekly printed issues)
- \_\_\_\_\_ *Agricultural Law Manual* (\$115.00 Includes one free update)
- \_\_\_\_\_ *Principles of Agricultural Law* (\$115.00 Includes one free update)

Amount enclosed \_\_\_\_\_ Sorry, we cannot accept credit card payments. Please send your check to: **Agricultural Law Press, P.O. Box 835, Brownsville, OR 97327**

Mr. \_\_\_\_\_ Ms. \_\_\_\_\_ Name (Please print or type) Firm \_\_\_\_\_

Street \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_ Phone \_\_\_\_\_

Attorney \_\_\_\_\_ Accountant \_\_\_\_\_ Other \_\_\_\_\_ CLE \_\_\_\_\_ CPE needed for state: \_\_\_\_\_

PRSRT STD  
US Postage  
PAID  
Eugene, OR  
Permit No 659

AGRICULTURAL LAW PRESS  
P.O. Box 835 Brownsville, OR 97327

AGRICULTURAL TAX SEMINARS  
by Dr. Neil E. Harl  
May 12-13, 2009  
Interstate Holiday Inn Grand Island, NE

# AGRICULTURAL TAX SEMINARS

May 12, 2008

## FARM & RANCH INCOME TAX

By Dr. Neil E. Harl

May 13, 2008

## FARM & RANCH ESTATE and BUSINESS PLANNING

By Dr. Neil E. Harl

## Interstate Holiday Inn Grand Island, NE

Expert, in-depth, and comprehensive discussions of the major income tax and estate and business planning issues for farms, ranches and agribusinesses for accountants, lawyers and agribusiness professionals.

**Special discounted registration fees** are available for subscribers to publications of the Agricultural Law Press: *Agricultural Law Digest*, *Agricultural Law Manual* and *Principles of Agricultural Law*. **Early registration discounts** are also available. See registration form for details.

Sponsored by the



Agricultural Law Press

### The Lecturer

**Dr. Neil E. Harl** is a nationally recognized expert on taxation, estate planning, business planning, and agricultural law and has given over 3,200 seminars in 43 states since 1964. He is the Charles F. Curtiss Distinguished Professor in Agriculture and Emeritus Professor of Economics at Iowa State University, and a member of the Iowa Bar. Dr. Harl is author of the 14 volume treatise, *Agricultural Law*, the one volume *Agricultural Law Manual* and over 800 articles on agricultural law. He is also the co-author of *Principles of Agricultural Law*, a college-level text and co-author of three Tax Management portfolios with Professor McEowen: "The Family-Owned Business Deduction," by Harl and McEowen; "Taxation of Cooperatives," by McEowen and Harl; and "Taxation of Farm Income," by Harl and McEowen. Dr. Harl has received numerous awards as a scholar and teacher and for distinguished service to agriculture.

**The Seminar** As a review of the seminar schedule below indicates, these seminars are designed to provide attendees with a comprehensive and practical understanding of major agricultural tax issues. In addition, the speaker is open to questions and responses from the attendees. The seminars will be Tuesday and Wednesday, May 13-14, 2008 at the Interstate Holiday Inn in Grand Island, NE. Registrants may attend any one or both days, with separate pricing for each combination. Your registration fee includes comprehensive, annotated seminar materials for the days attended which will be updated just prior to the seminar. A lunch and break refreshments are included in the registration fee.

**The Hotel** The Interstate Holiday Inn is located on the south edge of Grand Island at 7838 S. Highway 281, just off Interstate I-80. Special reduced rates have been negotiated with the hotel for May 11-12, 2009: \$84.95 plus tax. All seminar participants are responsible for their own housing. For more information, contact the hotel at (308) 384-7770. Be sure to tell them that you are planning to attend the "Agricultural Law Press seminar."

**CLE and CPE Credits:** The seminars are designed for 8 hours of CLE/CPE credit for each day. Please let us know your CLE/CPE reporting needs.