



NEWSLETTER



IRS Press Release - Drought

November 2012

**Wyoming Fremont
County
FSA Office**

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Hours
Monday – Friday
8:00 a.m. – 4:30 p.m.

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The following press release was posted to the IRS website on September 25, 2012.

“Farmers and ranchers who previously were forced to sell livestock due to drought, like the drought currently affecting much of the nation, have an extended period of time in which to replace the livestock and defer tax on any gains from the forced sales, the Internal Revenue Service announced today.

Farmers and ranchers who, due to drought, sell more livestock than they normally would may defer tax on the extra gains from those sales. To qualify, the livestock generally must be replaced within a four-year period. The IRS is authorized to extend this period if the drought continues.

The one-year extension of the replacement period announced today generally applies to capital gains realized by eligible farmers and ranchers on sales of livestock held for draft, dairy, or breeding purposes due to drought. Sales of other livestock, such as those raised for slaughter or held for sporting purposes, and poultry are not eligible.

The IRS is providing this relief to any farm located in a county, parish, city, or district listed as suffering exceptional, extreme, or severe drought conditions by the National Drought Mitigation Center (NDMC), during any weekly period between September 1, 2011 and August 31, 2012. All or parts of 43 states are listed. Any county contiguous to a county listed by the NDMC also qualifies for this relief.

As a result, farmers and ranchers in these areas whose drought sale replacement period was scheduled to expire at the end of this tax year, December 31, 2012, in most cases, will now have until the end of their next tax year. Because the normal drought sale replacement period is four years, this extension immediately impacts drought sales that occurred during 2008. But because of previous drought-related

Replacement periods for some drought sales before 2008 are also affected. Additional extensions will be granted if severe drought conditions persist.

Details on this relief, including a list of NDMC designated counties, are available in Notice 2012-62, posted today on IRS.gov. Details on reporting drought sales and other farm-related tax issues can be found in Publication 225, Farmer’s Tax Guide, also available on the IRS web site.”

ECP Drought Assistance

As part of USDA’s continuing effort to assist livestock producers in response to the historic drought, Secretary Vilsack has authorized the use of nearly \$16 million to immediately help crop and livestock producers in 19 states cope with the adverse impacts of this natural disaster. In addition, USDA will initiate a transfer of \$14 million in unobligated program funds into the Emergency Conservation Program (ECP.)

If you normally have water for your livestock, but do not this year because of the drought, we can help! Practices include but are not limited to water hauling, wells, and spring developments.

Fremont County was approved for 2012 ECP livestock water assistance. The 2012 ECP has not been funded, but the County Office has established an application signup period of **November 19 through December 1, 2012**. If you are interested in participating please come in during the sign up period.

Fremont County FSA
Office
508 N Broadway Ave
Riverton, WY 82501



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****November 15th** New forage and grazing crop reporting deadline**

NAP Application Deadline

The application signup deadline to obtain Non-Insured Disaster Assistance Program (NAP) coverage for the 2013 crop year for winter seeded crops or perennial crops such as grass hay or ranch is **December 1, 2012**. The application fee is **\$250** per crop/pay type. Coverage is offered at 50% of the approved yield and 55% of the posted price. The intent of the program is to provide yield protection in the even of catastrophic loss due to natural disasters.

Note* in the last Farm Bill, producers were required to have insurance in order to participate in additional Disaster Programs, including Livestock Disaster Programs.

Selected Interest Rates for November 2012

90-Day Treasury Bill	0.125%
Farm Operating - Direct	1.125%
Farm Ownership - Direct	3.000%
Limited Resource	5.000%
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	1.500%
Emergency	2.125%
Farm Storage Facility – 7 year	1.125%
Farm Storage Facility – 10 year	1.750%
Farm Storage Facility – 12 year	2.00%
Sugar Storage Facility	2.250%

Dates to Remember

Nov. 12 th	Office closed – Veteran’s Day!
Nov. 15 th	Deadline for reporting forage and pasture
Nov. 19- Dec. 1 st	Beginning ECP livestock water signup
Nov. 22 nd	Office closed – Happy Thanksgiving!
Dec. 1 st	NAP deadline for perennial crops
Dec. 3 rd	Deadline for returning election ballots
Dec. 6 th	COC Meeting, counting ballots
Dec. 25 th	Office closed – Merry Christmas!
15 days of apparent loss	Report NAP losses **Note end of growing season is Oct 15 th

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