

## 2021 FARM INCOME AND RECEIPTS SUMMARY

Name: \_\_\_\_\_

	Sale proceeds of purchased cattle.....	_____
	Less cost of cattle sold .....	( _____ )
	Net amount for purchased cattle.....	_____
	Sale proceeds of purchased swine.....	_____
	Less cost of swine sold.....	( _____ )
	Net amount for purchased swine.....	_____
	Sale proceeds of purchased grain.....	_____
	Less cost of grain sold.....	( _____ )
	Net amount for purchased grain.....	_____
	<b>Total net amount of resale items.....</b>	_____
	Raised cattle and calves.....	_____
	Raised swine.....	_____
	Corn.....	_____
	Soybeans.....	_____
	Dairy.....	_____
	Other raised products.....	_____
	<b>Total sales of raised products.....</b>	_____
Total coop distributions.....	_____	Taxable coop distributions.....
Total Ag program payments.....	_____	Taxable Ag program payments.....
CCC loans forfeited.....	_____	CCC loans taxable as income.....
2021 Crop insurance proceeds.....	_____	Taxable amount.....
		Taxable amount.....
		2020 crop insurance carryover.....
		Machine work.....
		Pasture and stalk rent.....
		Federal and state gasoline tax.....
		Expense refunds, other income.....
		Other.....
		<b>TOTAL GROSS INCOME.....</b>

Equipment and Breeding Stock sold:

<u>Description</u>	<u>Amount</u>	<u>Date Sold</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

## 2021 FARM EXPENSE SUMMARY

Name: \_\_\_\_\_

Car expense.....	_____	Pension and profit sharing.....	_____
Pickup expense.....	_____	Rent: Machinery and equipment.....	_____
Truck expense.....	_____	Rent: Land, animals, etc.....	_____
Chemicals.....	_____	Repairs, maintenance.....	_____
Conservation expenses.....	_____	Seeds & plants purchased.....	_____
Custom hire (machine work).....	_____	Storage and warehousing.....	_____
Depreciation.....	_____	Supplies purchased.....	_____
Employee health insurance.....	_____	Real Estate & PP Taxes.....	_____
Feed purchased.....	_____	Telephone.....	_____
Fertilizers and lime.....	_____	Utilities.....	_____
Freight, trucking.....	_____	Veterinary fees, medicine.....	_____
Gasoline, fuel, oil.....	_____	Bank charges.....	_____
Insurance.....	_____	Contract labor.....	_____
Mortgage interest (1098 form required)....	_____	Dues and subscriptions.....	_____
Other interest.....	_____	Business meals.....	_____
Labor hired (W-2 wages paid).....	_____	Hired labor meals.....	_____
		Office expense.....	_____
		Professional services.....	_____
		Deficiency repayment.....	_____
		Other expenses.....	_____
		.....	_____
		.....	_____
		.....	_____
		<b>TOTAL EXPENSES.....</b>	_____
		<b>NET INCOME.....</b>	=====

EQUIPMENT & BREEDING STOCK PURCHASED: Please provide copies of invoices for equipment purchased/traded

<u>Date</u>	<u>Item Purchased</u> <u>Description</u>	<u>Total</u> <u>Purchase Price</u>	<u>Trade-In</u> <u>Allowance</u>	<u>Net</u> <u>Purchase Price</u>	<u>Trade-In</u> <u>Description</u>
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

# FARM INFORMATION

## LISTED PROPERTY INFORMATION

Farm income and expense can be obtained from your books of account or your summarization of those activities. In addition, your substantiation of business use of listed property (i.e. automobiles, pickups, ATV's computer, etc.) will be required or can be summarized below. If you desire to use the farm method (75%) for pickups used regularly in the business of farming, please so state.

Do you have evidence to support the business use? Yes \_\_\_ No \_\_\_ Is the evidence written? Yes \_\_\_ No \_\_\_

Use the farm method (75%) for pickup Yes \_\_\_ No \_\_\_

<u>Vehicle Description</u>	<u>Business miles</u>	<u>Personal Miles</u>	<u>Total Miles</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
<u>Other Listed Property Description</u>	<u>Business Use %</u>	<u>Personal Use %</u>	
_____	_____	_____	
_____	_____	_____	

## OPTION and FUTURES CONTRACT INFORMATION

All option or futures contracts should be noted as hedging or speculation transactions. Hedging transactions are reported as normal farm income and are subject to income tax and self-employment tax. Speculation transactions are reported as capital gain or losses and are only subject to income tax. Speculation contracts are marked to market at December 31 with the resulting gain or loss reported to you on 1099B. Hedging contracts are generally entered into when the commodity hedged is on hand.

<u>Nature of transaction</u>	<u>Date of Purchase</u>	<u>Cost</u>	<u>Date of Sale</u>	<u>Sales Proceeds</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

## INVENTORY

Schedule of purchased livestock, grain or other items held for resale which are on hand at year end:

<u>Type</u>	<u>Quantity</u>	<u>Purchase Price</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

## OTHER INFORMATION

Farmers requesting a fuels tax refund for 2021 will need to provide copies of invoices for refund fuel purchased during 2021. Logs showing exempt withdrawals from bulk storage tanks used for licensed vehicles will also need to be provided.

<u>Equipment or engines using gasoline, gasohol</u>	<u>Type of fuel used</u>	<u>Make &amp; Model</u>	<u>Year</u>	<u>Horsepower</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

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# FARM INFORMATION

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## PLANNING OPPORTUNITIES

- Maximum Section 179 Expense is \$1,050,000 for equipment placed in service in 2021. Limits apply if equipment placed in service exceeds \$2,620,000.
- Grain Bins, fences, and irrigation systems which are used in a farming business are treated as 7 year property.
- New farm machinery or equipment, not including grain bins, fences and irrigation systems, are treated as 5 year property.
- Used farm machinery or equipment are treated as 7 year property.
- Consider paying family members for services performed for the farming operations. If payment for services is made in commodities, be sure the commodity is transferred to the employee and not just the money. W-2 forms are required for all wage payments, cash or commodities.
- Crop insurance and disaster payments may be deferred if the normal practice is to defer the sale of more than 50% of the crop to subsequent year, however, if the election is made, all eligible receipts must be deferred.
- If records are not maintained for farm use of pickups regularly used in the farm business, consider electing the 75% safe harbor method.
- Farm income averaging is available for those having farm income during the current year. It is generally beneficial if this year's taxable income is greater than that of the three prior years.
- Meals served on the farm premises to employees for business purposes are deductible, documentation is required.
- If your itemized deductions do not exceed the standard deduction (\$25,100 for married joint returns; \$12,550 single), consider giving charitable gifts in commodities.
- Credit card purchases are deductible in the year of purchase for cash basis taxpayers.

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## PREPAID EXPENSES

Prepaid expenses for input items such as seed, chemicals, fertilizer and supplies for use in your 2022 farming operation are deductible in 2021 to the extent of 50% of your 2021 total farming expenses. Prepaid expenses for rent, insurance and interest are not deductible until the year in which the payee earns them. Likewise, expenses incurred this year for prepaid items and sold next year to a landlord, relative or neighbor are considered items purchased for resale and are not deductible until the year they are disposed of.

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## OTHER FARM RETURN DUE DATES

W-2 and annual payroll tax reporting (including wages paid in grain or livestock)	<b>**January 31, 2022</b>
1099 and information return reporting <b>**REMINDER OF NEW FILING DATES:</b>	
Payments to one individual of \$600 or more for Machine hire or Contract labor	<b>**January 31, 2022</b>
Payments to one individual of \$600 or more for Rent, Interest or Dividends	February 28, 2022
Personal Property tax return	May 1, 2022

**\*\*NEW LAW REMINDER:** Employers are now required to file their copies of Form W-2, submitted to the Social Security Administration by **January 31**. The new law also applies to 1099-Misc reporting for Non-employee Compensation.

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## NOTE TO EMPLOYERS

The IRS and Nebraska taxing agencies are no longer mailing quarterly or annual payroll tax forms. Employers are still responsible for completing and filing all forms in a timely manner. These forms are available on our website or you may contact our office for a copy of the forms.

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