

RUSSELL COUNTY AGRICULTURE AND NATURAL RESOURCES JANUARY 2025 NEWSLETTER

Off the Hoof: Timely Tips

*Dr. Les Anderson, Beef Extension Professor,
University of Kentucky*

- The fall breeding season has started. Breeding can best be accomplished on stockpiled fescue pasture; otherwise, cows with calves should be fed 25-30 pounds of good quality hay or its equivalent. Supplement with grain, if needed, and minimize hay waste. **DON'T ALLOW THESE COWS TO LOSE BODY CONDITION PRIOR TO OR DURING THE BREEDING SEASON.** It is easy to wait too long to start winter feeding.
- If you haven't turned bulls out yet, have a Breeding Soundness Evaluation (BSE) performed on them (even if you used them this spring). A BSE is a risk management tool as BSE's accurately identify infertile bulls.
- Observe performance of bulls during breeding season. Watch cows for return to estrus, if you see several in heat, try to determine the cause and consider changing bulls.
- Complete soil testing pastures to check for fertility and pH.
- Consider putting down geotextile fabric and covering with gravel in feeding areas before you begin hay feeding to minimize waste of expensive hay. Or, perhaps, construct concrete feeding pads for winter feeding areas.
- Another option to consider for winter feeding is bale grazing. Bale grazing helps spread nutrients across the pasture and can have regenerative effects on your pastures.
- Monitor body condition and increase feed, if needed, for all classes of cattle. It often gets cold in December and the nutrients needs of cattle increase as temperatures fall below their comfort level. Be especially mindful of cold, wet conditions and increase energy availability. Consult your nutritionist to ensure that your rations are meeting the nutrient requirements during stressful weather.

RUSSELL COUNTY EXTENSION OFFICE
2688 S. HWY 127
RUSSELL SPRINGS, KY 42642
PHONE: (270) 866 - 4477
FAX: (270) 866 - 8645
RUSSELL.CA.UKY.EDU

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MARTIN-GATTON COLLEGE OF AGRICULTURE, FOOD AND ENVIRONMENT

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UPCOMING EVENTS:

The Russell County Extension Office will
be **CLOSED** on the following dates:
**Wednesday, January 1st, 2025 &
Monday, January 20th, 2025.**

Fruit & Vegetable Conference January 6th & 7th

Marriott Lexington, Griffin Gate
Lexington, KY

Pesticide Training

January 9th: 5:00 PM CST

Russell County Extension Office

Cheesemaking Class

January 13th: 5:00 PM CST

Russell County Extension Office

Kentucky Cattleman's
Association Convention
January 16th & 17th

Pesticide Training

January 23rd: 5:00 PM CST

Russell County Extension Office

Jonathan Oakes

CEA for Agriculture and Natural
Resources



Disabilities
accommodated
with prior notification.

Key Changes in the 2024 IRS Publication 225
Kara Schlinke
Kentucky Farm Business Analysis Specialist

Farmers face unique tax challenges due to the specific nature of their work, including income fluctuations, capital expenses, and the need for specialized deductions. The IRS regularly updates its guidelines to help farmers navigate these complexities. For 2024, several important changes to **IRS Publication 225, "Farmer's Tax Guide"** may have significant implications for farm tax filings. These changes cover a range of topics, from depreciation rules to revised credit opportunities, and each may impact farmers' ability to manage their tax liabilities effectively.

1. Increased Section 179 Deduction Limits

The Section 179 deduction, which allows farmers to deduct the cost of qualifying property (such as machinery and equipment) in the year it is placed in service, has seen an increase in limits for 2024.

What changed? The maximum Section 179 deduction has risen to **\$1,170,000** in 2024, up from **\$1,160,000** in 2023. The deduction limit begins to phase out after **\$2.89 million** of qualifying property is purchased, which has also increased slightly from the previous year.

Farmers who invest in new equipment or capital improvements can immediately deduct a larger portion of the expense, improving cash flow and potentially reducing taxable income for the year. This benefit is especially helpful for farmers who make substantial investments in machinery or structures to maintain or grow their operations.

2. Changes to Bonus Depreciation

Farmers can take advantage of bonus depreciation to recover the cost of certain property faster than regular depreciation schedules would allow. However, the bonus depreciation rate is set to phase down starting in 2023.

What changed? The bonus depreciation rate for **2024** is set at **80%**, down from the previous 100% in 2022 and 2023. This gradual reduction continues over the next few years, with the rate expected to drop to **60% in 2025** and eventually phase out by 2027.

While farmers can still benefit from accelerated depreciation, the reduced rate means that they will be able to deduct less of their property's cost in the first year. This could result in higher tax liabilities in future years if large purchases are made.

3. Revised Eligibility for Qualified Business Income Deduction (QBI)

The **Qualified Business Income (QBI) deduction** allows farmers who operate as pass-through entities (such as sole proprietors, partnerships, or S corporations) to deduct up to 20% of their qualified business income.

What changed? There are updates regarding the ability to claim the QBI deduction, particularly for farmers who have income from both agricultural and non-agricultural

activities. The IRS has clarified that farmers engaged in farming activities may still claim the full deduction if their taxable income falls below certain thresholds.

This revision is important for farmers who also have income from other sources, as it can help them maintain access to the full 20% deduction. Farmers with diversified businesses should review their eligibility to ensure they're not inadvertently disqualifying themselves from this tax-saving benefit.

4. Updates to Farm Income Averaging Rules

Farm income averaging allows farmers to spread out their income from a particularly good year over a period of three years, potentially lowering their overall tax liability.

What changed? For 2024, the income averaging rules have been refined to ensure more farmers can benefit from this strategy, particularly those who have fluctuating income due to weather patterns or market conditions.

Income averaging can be especially beneficial for farmers who experience significant year-to-year income swings. By averaging high earnings over several years, farmers can reduce their taxable income in years with higher-than-usual profits, lowering their effective tax rate.

5. Revisions to Farm Vehicle Deduction Rules

Farmers often use vehicles for both personal and business purposes, and the IRS provides specific rules for deducting expenses related to farm vehicles.

What changed? The IRS has clarified which types of vehicles qualify for deductions and has updated the calculation methods for business use versus personal use of farm vehicles. Farmers should review their records carefully to ensure they are claiming only the business portion of vehicle expenses. The IRS has also updated the per-mile rate and the limits for depreciation on certain farm vehicles, meaning that farmers who own or lease vehicles may need to adjust their deductions accordingly.

6. Expanded Opportunities for Conservation Incentives and Credits

The IRS continues to encourage environmentally friendly practices through conservation incentives and credits.

What changed? New rules make it easier for farmers to claim deductions for conservation efforts, such as implementing soil and water conservation methods, or using renewable energy sources in their farming operations.

Farmers investing in sustainable practices can access additional tax savings, which can offset the costs of these investments. This is particularly relevant for farmers seeking to adopt new technologies or practices aimed at reducing their carbon footprint or improving soil health.

7. Clarification of Farm Income Reporting

In recent years, the IRS has been tightening its rules around how farmers report income, particularly in relation to cash accounting versus accrual accounting.

What changed? The IRS has provided clearer guidelines on when farmers should report income and expenses under cash basis accounting versus accrual basis accounting. Farmers who use cash basis accounting (which is often more beneficial for tax purposes) will need to ensure they're accurately reporting income in the year it is received and expenses in the year they are paid. The IRS has also updated rules on reporting crop insurance proceeds and disaster relief payments, which should be closely tracked to avoid errors in reporting.

8. Changes to Self-Employment Tax (SE Tax) Exemptions

Farmers are subject to self-employment taxes on their net earnings from farming, but there are certain exemptions available.

What changed? There have been updates to the self-employment tax exemption for certain farm workers and farm owners, particularly in cases where farm income is low or where specific income thresholds are not met.

Farmers who qualify for these exemptions could see a reduction in their self-employment tax liability. It's important to review income levels and farm ownership structure to ensure any available exemptions are applied.

By understanding these changes, farmers can better position themselves to take full advantage of available tax-saving opportunities. You should consult with a tax professional to ensure they're applying these new guidelines correctly and maximizing their benefits under the latest tax rules.

Source: <https://www.irs.gov/publications/p225>



Winter Safety!

Brandon Peloquin - National Weather Service Wilmington, OH

Jane Marie Wix - National Weather Service Jackson, KY



Wintertime can bring a wide range of hazards, whether it be exposure to the cold (for you and your animals), slick surfaces and roads that can lead to accidents and falls, or fires resulting from the improper use of heaters. Hundreds of people are injured or killed each year as a direct result of winter weather.

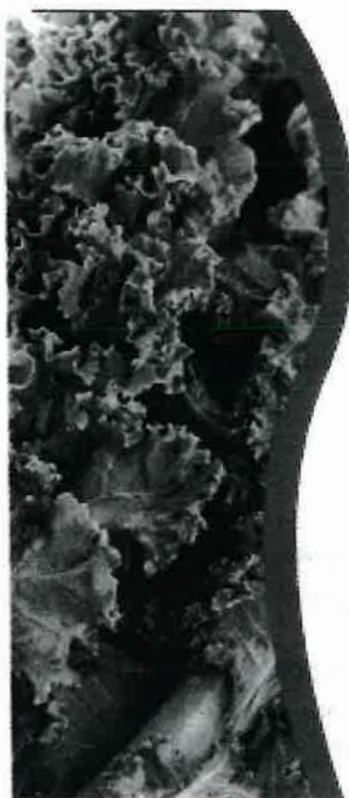
Here are some tips to remember when winter turns especially harsh:

- Stay dry to stay warm! Wet clothes result in much faster heat loss.
- Wear multiple layers. Wool keeps you warmer than cotton because wool fibers trap air pockets and when wool is exposed to damp conditions, it wicks moisture away from your skin and helps keep you dry.
- Cover everything you can! At least half your body heat can be lost if your head isn't covered.
- Avoid overexertion, such as shoveling heavy snow, or walking in deep snow. The strain from the cold and the hard labor may cause a heart attack. Sweating could lead to a chill and hypothermia.
- Remember the animals! - make sure they have access to melted water, plenty of food, and shelter to keep them protected.
- Stay informed on the latest weather forecast. All Kentucky National Weather Service offices have a phone line the public can call to get a weather forecast for their areas. Also, NOAA Weather Radios are specially built radios that only play a recorded forecast and other weather information. These can be purchased in many stores.

It's also important to know the signs that someone is getting too cold. Hypothermia is a medical emergency that occurs when your body loses heat faster than it can produce it. Confusion, shivering, difficulty speaking, sleepiness and stiff muscles are all signs of hypothermia and signs that medical attention is needed - call 911 immediately! To warm someone up who is showing signs of hypothermia, lie close to the person and cover both of you with thick blankets. The hotter you get, the more warmth you can give to the other person. Frostbite is another medical emergency that causes damage to the body's tissue (mainly on extremities such as hands and feet, or any place that is unprotected) due to blood vessels diverting blood to other parts of the body to help keep your vital organs warm. This will cause the affected area to become frozen, and can be a very dangerous situation, especially since it becomes numb and the victim can be unaware of its severity.

Finally, even though winter will often bring cold and snow, occasionally warm spells in the winter can lead to thunderstorms or flooding. Stay up to date with the latest weather forecasts to know what weather hazards or threats could impact you and your family this upcoming winter.

For more information visit: <https://www.weather.gov/safety/winter>



Kale and Potato Soup

4 teaspoons olive oil
1 chopped yellow onion
3 cloves garlic, minced
1 box (48 ounce) low-sodium chicken broth

6 red potatoes, diced
½ cup chopped carrot
4 cups shredded kale
½ pound cooked chicken breast, shredded

¼ teaspoon black pepper

1. In a large saucepan, heat the olive oil over medium heat for 1 minute. Add chopped onion and garlic and cook uncovered for 5 minutes.

2. Add chicken broth, potatoes and carrot; cover and bring to a boil.

3. Reduce heat and simmer for 20 minutes.

4. Mix in the kale, chicken and black pepper. Cover and simmer for 15

minutes or until kale is tender.

Yield: 6, 1½ cup servings.

Nutritional Analysis:

270 calories, 5 g fat, 1 g saturated fat, 25 mg cholesterol, 210 mg sodium, 43 g carbohydrate, 5 g fiber, 15 g protein.

Buying Kentucky Proud is easy. Look for the label at your grocery store, farmers' market, or roadside stand.



Kentucky Kale

SEASON: May through June and September through November.

NUTRITION FACTS: Kale is a good source of vitamins A and C. A half-cup serving contains 20 percent of calcium needed daily. It is low in calories, sodium and contains no fat.

SELECTION: Choose dark colored, small to medium sized leaves. Leaves should be fresh, young and tender. Avoid greens with coarse stems or yellowed, dried, limp leaves.

STORAGE: Store kale and other greens in the coldest part of the refrigerator for no more than 2 or 3 days.

PREPARATION: Wash leaves in lukewarm water. Remove roots, rough ribs and center stalks if they are large or fibrous.

To cook: Add washed greens to a medium-sized

saucepan with ¼ inch of water. Bring water to a boil. Cover and cook until tender. Crisp and tender leaves may require 5 to 10 minutes.

To freeze: Wash young, tender green leaves thoroughly and cut off woody stems. Blanch greens for 2 to 3 minutes, cool, drain, and package. Leave ½-inch headspace, seal, label and freeze. Greens can be stored for up to 1 year.

KENTUCKY KALE

Kentucky Proud Project

Courtesy Extension Agents for Family and Consumer Sciences

University of Kentucky, Dietetics and Human Nutrition students

March 2013

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Food and Forestry

Source: www.fruitsandveggreenmatter.gov



CHEESEMAKING CLASS



\$5

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**Russell County Extension
Office**

January 13th, 2025

5:00 PM

Come learn how to make mozzarella cheese in our hands-on class. Class size is limited. To register, pay your class fee at the Russell County Extension Office.

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Kentucky Crop Health Conference Tickets Are Now on Sale

Posted on December 10, 2024

By Jason Travis, Plant and Soil Sciences Agriculture Extension Associate

Take the lead against pest management issues with a supercharged agriculture conference designed to get you on the right track before the spring planting season shifts into high gear.

Tickets are now available for the Kentucky Crop Health Conference scheduled for 9 a.m. to 3 p.m., Thursday, February 6, 2025, at the National Corvette Museum's conference center in Bowling Green, Kentucky. Sign-in will begin at 8 a.m. (CST) on the date of the event. Breakfast and lunch will be included in the ticket purchase.



This unique conference celebrates its third year at the corvette museum and offers guidance on integrated pest management through University of Kentucky Extension specialists as well as Extension specialists from across the United States. Guest speakers for 2025 include Alyssa Essman from Ohio State University; Justin McMechan from the University of Nebraska-Lincoln, and Wade Webster from North Dakota State University. They will join University of Kentucky Extension Specialists Travis Legleiter, Carl Bradley, Kiersten Wise, and Raul Villanueva for in-depth and enhanced discussions in the disciplines of weed science, plant pathology, and entomology.

“The Kentucky Crop Health Conference provides top-tier pest management insights, empowering agronomic professionals and farmers in Kentucky to make data-driven pest management decisions in corn, soybean, and wheat. Our distinguished speakers share valuable pest management strategies from across the United States, inspiring innovative approaches for our professionals here in Kentucky,” said Dr. Travis Legleiter, University of Kentucky Associate Extension Professor – Weed Science

For conference tickets, visit <https://kchc2025.eventbrite.com>. Tickets sales close on January 30, 2025, and refunds will not be issued after that date.

Educational credits will be available. Certified Crop Advisors will receive 4.5 CEUs in IPM. Kentucky pesticide applicators will receive 3 CEUs for Category 1A (Agricultural Plant) and 1 CEU for Category 10 (Demonstration and Research). Tennessee pesticide applicator credits are pending.

For more information on the Kentucky Crop Health Conference, contact (259) 562-2569 or

email jason.travis@uky.edu