

Citrus Notes



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Dear Growers,

The following are grower events planned for the near future:

April, 23rd Florida Citrus Mutual Area Meeting

April, 30th Hillsborough County Agricultural Pesticide Collection

September, 15th Certified Pile Burner Course

Enjoy the issue,

Chris Oswalt
Citrus Extension Agent
Polk/Hillsborough Counties
863-519-1052
P.O. Box 9005, Drawer HS03
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Florida Citrus Mutual Area Meeting

Florida Citrus Mutual will be holding their annual district 5 and 6 area meeting on Thursday, April 23, 2015. The meeting will be held at the W.H. Stuart Conference Center located at 1710 US Hwy 17 S. in Bartow. The meeting is open to Mutual members and any other interested commercial citrus growers. The District Area Meetings are where elections will be held for grower representation on the Florida Citrus Mutual Board of Directors. The meeting will begin at 11:30 a.m. and lunch is included. Please RSVP to clarkb@flicitrusmutual.com.

2015 Florida Citrus Growers' Institute Videos

I hope by the end of this week (4/24/15) the videos from the 2015 Florida Citrus Growers' Institute will be available for viewing on the UF/IFAS Citrus Agents website (citrusagents.ifas.ufl.edu/).



2015 Florida Citrus Pest Management Guides

I still have a few copies of the 2015 edition of the Florida Citrus Pest Management Guide. If you would like to have a copy, they are available at the Extension offices in Bartow and in Seffner.

Certified Pile Burner Course

The Florida Forest Service and University of Florida Cooperative Extension Service will be conducting a Certified Pile Burners Course on Tuesday, September 15, 2015. This course will show you how to burn piles ***legally, safely and efficiently***. Most importantly, it could save a life.



If you burn piles regularly, don't put off registering for

this training. When the weather is dry, certified pile burners will receive priority for authorization to burn. Also, certified pile burners are allowed to burn up to two hours longer per day and get multiple day authorizations. Don't wait. The number of trainings offered and attendance at each training is LIMITED. This training will be held from 8:30 am till 4:30 pm at the Stuart Conference Center, Bartow, Florida. Included are a registration form and program agenda.

Registration is required to attend and class size is limited. To attend please send the following information (see attached form):

1. Your full name (as wanted on your pile burning certificate).
2. Your mailing address (where you want the certificate mailed).
3. Your Florida Forest Service Customer Number (It is the number that you are required to give the FFS when you call in for your burn permits. If you do not know it please call the local FFS office and ask them to create one for you).
4. Your email address (if you have one) and/or contact phone number.
5. A check made out to: Polk County Extension Citrus Advisory Committee Inc. for \$50.00.

The first fifty individuals to provide these five requirements will be registered; there will be a 7-day non refundable fee limit. If you do not make the training and did not contact our office at least one week before the class, you will not receive a refund. There will be a test at the end of the session. You must receive a grade of 70% or higher on the exam and demonstrate a proper pile burn with your local FFS office to become certified. Once you are certified it will be noted with your customer number, thus it is important for us to have the proper number. If you do not have a customer number the FFS office will set one up for you. Fill out the attached registration form and return as directed.



2015 Atlantic Hurricane Season Forecast

This time of the year is when the folks at Colorado State

University make their first hurricane prediction forecast of the season. Drs. Klotzbach's and Gray's early season April predictions call for a extremely quite Atlantic hurricane season. The least active since the mid 20th century. This forecast for a below average hurricane season is partly based on the prediction for the development of a moderately strong El Niño developing into the summer and fall.

This year's forecast is for seven named storms, compared to the 12 storm average from 1981 - 2010. Of these named storms, only three are predicted to become hurricanes, compared to the past average (1981-2010) of 6.5. The forecast indicates that only one of these three hurricanes will develop into a major (category 3, 4 or 5) hurricane, compared to the average of 2 from 1981-2010.

The probabilities of this one major hurricane making landfall on the following coastal areas are as follows:

Entire U.S. Coastline 28% (average for last century 52%)

U.S. East Coast including Peninsula Florida 15% (32% average)

Gulf Coast from the Florida Panhandle to Brownsville Texas 25% (30% average).

Agricultural Tax Planning - IRS Releases Questions and Answers on the New Tangible Property Regulations

(Author: Thomas J. Bryant, CPA and Ryan Beasley, CPA).

In mid-March the IRS released on its website, an 11 question and answer statement on the new Tangible Property Regulations (TPR's) often referred to as the new "repair and maintenance regulations". The release, "Tangible Property Regulations-Frequently Asked

Questions" provides some additional information and guidance on the implementation of the TPR's. Although issued a little late, about a month before the Individual Form 1040 filing date, the release has provided additional explanations.

Application

The release states these new regulations apply to anyone who pays or incurs amounts to acquire, produce, or improve tangible real or personal property in carrying on a trade or business. This includes corporations, S corporations, partnerships, LLC's, and individuals filing a Form 1040 with Schedule C, E, or F. These new rules are most significant to businesses that regularly incur large capital expenditures.

The De minimis Safe Harbor Election

As stated in previous articles, the de minimis safe harbor election (DMSH), permits taxpayers to make an annual election to currently deduct **any** tangible property acquired or produced under certain dollar limits. The limit is \$500 per item or invoice for most small businesses and \$5,000 for businesses with Applicable Financial Statements (AFS).

The release clarified the fact that for taxpayers not having an AFS (electing the \$500 limit), a **written** accounting procedure **is not required**. To make the \$500 limit election, you "must expense amounts on your books and records for the taxable year in accordance with a **consistent accounting procedure or policy existing at the beginning of the taxable year**". You still need an accounting procedure but it does not need to be written.

Additionally, you are not required to capitalize all expenditures exceeding your DMSH limit. Amounts exceeding your limit should be treated under the normal rules that apply. For instance, repairs and maintenance costs or incidental materials and supplies are currently deductible in the tax year paid. The DMSH is simply an "administrative convenience" that generally allows the taxpayer to deduct small-dollar expenditures for the acquisition or production of tangible property that otherwise would be capitalized.

The release also stated that if the taxpayer does not have an AFS but does have a policy of deducting amounts greater than \$500 for his books and records, the taxpayer may properly deduct these amounts for federal tax purposes as long as this policy clearly reflects the taxpayer's income. In these situations, the IRS recommends that the taxpayer may want to elect the DMSH for items costing \$500 or less to assure that the deduction of these items costing \$500 or less will **not** be questioned upon audit. In simple terms, if you have a policy, written or unwritten, for deducting items in excess of \$500 that is reasonable for your business, you may continue to do so, but also elect the DMSH to protect your deduction for those items costing \$500 or less.

Repairs or Improvements?

In this discussion the IRS provides some guidelines in **distinguishing repairs, costs that are expensed, from improvements that require capitalization**. It is understood that generally purchases of tangible property with a useful life of more than 12 months that are not repairs, incidental materials or supplies, and do not fall under your DMSH limit, are capitalized. This discussion focuses **only** on distinguishing **a repair from an improvement**. In the release, the IRS discusses the Unit of Property (UOP) and the application of the facts and circumstances analysis to distinguish capital improvements from deductible repairs. Under the new regulations all capitalized tangible property is either a UOP or a component of a UOP. Some examples of units of property are:

- **A machine shop** – The building structure including doors, windows, water and sewage piping, floors etc., plus all of the 8 building systems that apply is a UOP, the building. A series of interdependent machines is a UOP. A separate drill press or table saw are each separate units of property. If the drill press is anchored to the floor, it is still a separate UOP.
- **A tractor** – The tractor is a separate UOP. The engine, transmission, cabin, axles, wheels, tires etc. are components of that unit of property.

A unit of tangible property is **improved** only if the amounts paid are for a betterment to a UOP; to restore a UOP, or to adapt a UOP to a new or different use.

- **Betterments** in very general terms are amounts paid to correct a material condition or defect; amounts paid for a material addition, expansion, extension or to increase capacity; or amounts paid to materially increase productivity, efficiency, strength, quality, or output of the UOP.
- **Restorations** are amounts paid to replace a major component or structural part including a part or combination of parts; amounts paid to return a UOP to its ordinarily efficient operating condition when the property has deteriorated to a state of disrepair and is no longer functional for its intended use; or amounts paid to rebuild a UOP to a like-new condition after the end of its class life.

In general terms restorations also occur when a taxpayer recognizes gains and losses and basis adjustments on a UOP or component of a UOP such as a sale, disposition or casualty loss.

- **Adaption to a new or different use** occurs where amounts paid to convert a UOP to a new or different use and the conversion is not consistent with the ordinary use of the UOP at the time the UOP was originally placed in service. In other words if an asset is converted from one use to another it is an adaption. As an example, a garage converted to an operating machine shop including increased power and lighting, machines and work area is an adaption.

Summary

I have covered only several of the topics presented in this latest IRS release on the new TPR's. Also included is some information pertinent to the topics discussed but not included in the IRS release. Interpretation and understanding of the new regulations is currently a moving target and new interpretations and information is constantly being presented. Sometimes attempts to further explain the new regulations just seem to make the regulations more confusing and I understand this.

However, once the dust settles and there is general agreement on the interpretation of the new TPR's, taxpayers will have a better understanding of when to expense or when to capitalize expenditures for tangible property used in their trade or business. I will keep you as current as possible. The above information was based on the best information available when we went to press.

This article is a discussion of the new Tangible Property Regulations and is not meant to be an opinion or interpretation of the IRS regulations.

For information **on this topic only**, please contact me at (863) 640-2008 or tom@beasleybryantcpa.com.

For information on other tax planning for farming, please contact me at (863) 640-2008 or tom@beasleybryantcpa.com and /or Ryan Beasley at (863) 646-1373 or ryan@beasleybryantcpa.com.

For information on other relevant topics visit our website at www.beasleybryantcpa.com. We at Beasley, Bryant & Company, CPA's, P. A. are experienced in agricultural business problems, tax issues or concerns, and are here to help you.

Pesticide News & Information



Hillsborough County to Host Free Agriculture Pesticide Collection April 30th

Hillsborough County's Agriculture Industry Development Program is organizing an Agriculture Pesticide Collection Day **on April 30th from 8 a.m. - 2 p.m.** at EQ Florida, 7202 E. 8th Ave. in Tampa.

The Agriculture Pesticide Collection Day is in partnership with the Hillsborough County Extension Service, and the Environmental Protection Commission of Hillsborough County. The collection effort is part of an initiative to provide a free pesticide disposal service for Hillsborough County agricultural operations. Pesticide manufacturers and distributors, homeowners, universities and government institutions, including state, county and local government pesticide users, are not eligible to participate.

The purpose of the program is to eliminate potential public health and environmental hazards from stored pesticides that are out-of-date, suspended or unusable. The program also further educates agricultural pesticide users on proper handling, storage, and management practices.

Funding for the collection has been made available through the Environmental Protection Commission Pollution Recovery Fund. This funding is limited; therefore once it is exhausted the collection will be closed.

For more information, contact Simon Bollin, Agriculture Industry Development Program Manager, Hillsborough County Economic Development Department, at (813) 276-2735.



**Institute of Food and Agricultural Sciences
UF-IFAS Polk County Extension Service**

**1702 US Highway 17 S
Bartow, FL 33830**

Information for the next Certified Pile Burners Course:

The Florida Forest Service and University of Florida Cooperative Extension Service will be conducting a Certified Pile Burners Course on Tuesday, September 15, 2015. This course will show you how to burn piles **legally, safely and efficiently**. Most importantly, it could save a life. If you burn piles regularly, don't put off registering for this training. When the weather is dry, certified pile burners will receive priority for authorization to burn. Also, certified pile burners are allowed to burn up to two hours longer per day and get multiple day authorizations. Don't wait. The number of trainings offered and attendance at each training is LIMITED. This training will be held from 8:30 am till 4:30 pm at the Stuart Conference Center, Bartow, Florida. Included are a registration form and program agenda.

Registration is required to attend and class size is limited. To attend please send the following information (see form on next page):

1. Your full name (as wanted on your pile burning certificate).
2. Your mailing address (where you want the certificate mailed).
3. Your Florida Forest Service Customer Number (It is the number that you are required to give the FFS when you call in for your burn permits. If you do not know it please call the local FFS office and ask them to create one for you).
4. Your email address (if you have one) and/or contact phone number.
5. A check made out to: Polk County Extension Citrus Advisory Committee Inc. for \$50.00.

The first fifty individuals to provide these five requirements will be registered; there will be a 7-day non refundable fee limit. If you do not make the training and did not contact our office at least one week before the class, you will not receive a refund. There will be a test at the end of the session. You must receive a grade of 70% or higher on the exam and demonstrate a proper pile burn with your local FFS office to become certified. Once you are certified it will be noted with your customer number, thus it is important for us to have the proper number. If you do not have a customer number the FFS office will set one up for you. Fill out the registration form on the next page and return as directed.

Sincerely,

Chris Oswalt

Registration Form

Florida's Certified Pile Burner Program
Tuesday, September 15, 2015

Polk County Cooperative Extension Service
Stuart Conference Center
1710 US Highway 17 S, Bartow, FL 33830
863-519-1041

Please send this form and a check for \$50.00 made payable to:

Polk County Extension Citrus Advisory Committee Inc.

**Mail to: Polk County Cooperative Extension Service
Attn: Gail Crawford
P. O. Box 9005, Drawer HS03
Bartow, FL 33831**

Name

Mailing address

Email address

Phone Number

FFS Customer Number



Florida's Certified Pile Burner Training
Tuesday, September 15, 2015
Stuart Conference Center
1710 US Highway 17 S, Bartow, FL 333830
(863) 519-1041

All Times Are Local

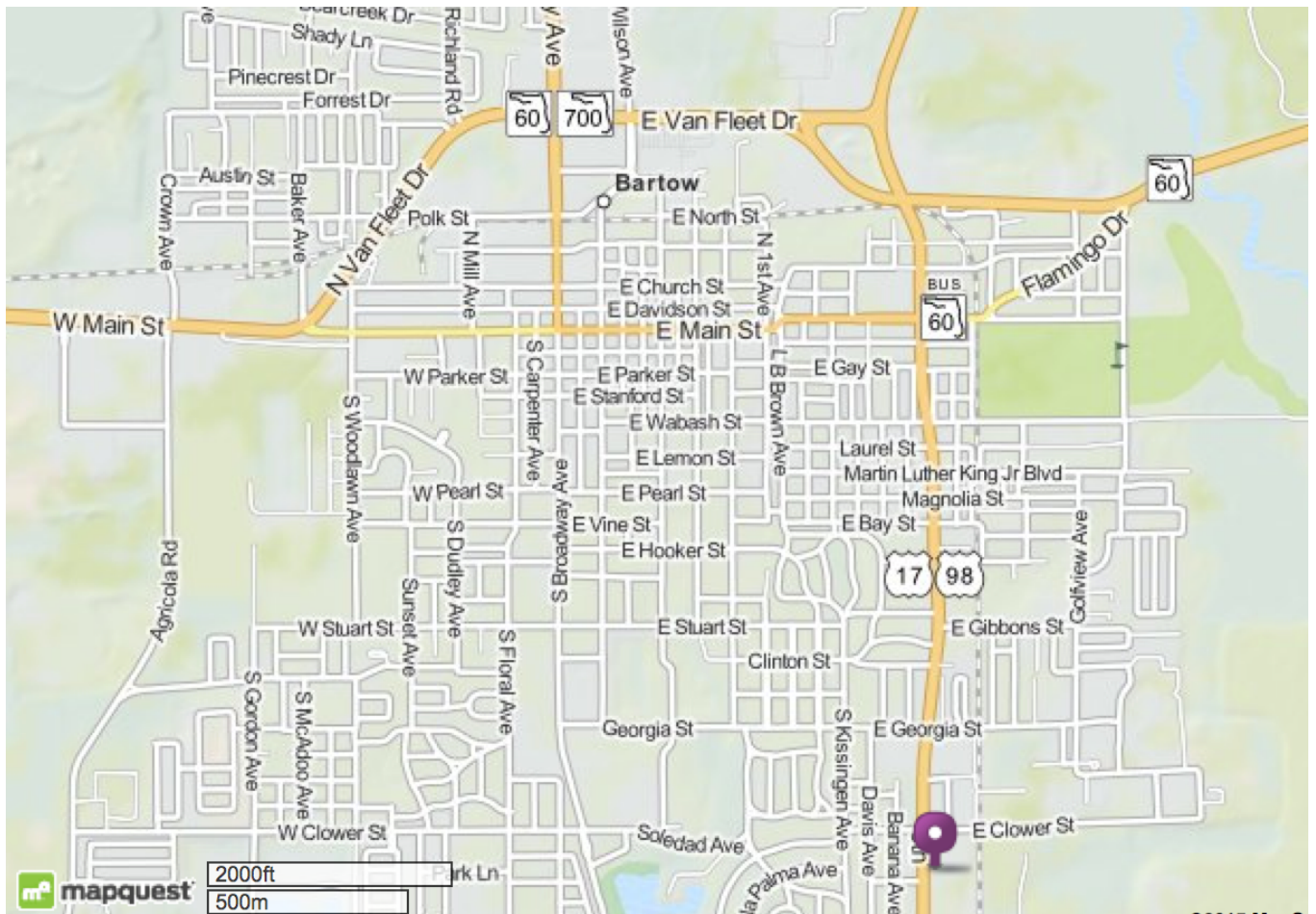
1. Opening Comments and Introduction	08:30 – 09:10
2. Fire Weather	09:10 – 09:50
3. BREAK	09:50 – 10:00
4. Smoke Management	10:00 – 11:20
5. Open Burning Regulations	11:20 – 12:15
6. LUNCH (provided)	12:15 – 01:15
7. Planning and Implementation	01:15 – 02:30
8. Safety	02:30 – 03:10
9. BREAK	03:10 – 03:20
10. Public Relations	03:20 – 04:00
11. Wrap Up & Test	04:00 – 04:30

Please bring a Pencil for the Exam!



Stuart Conference Center

1710 US Highway 17 S, Bartow, FL 33830 (863) 519-1041





Florida's Certified Pile Burner Training *Frequently Asked Questions*

Q: Why should I be a certified pile burner?

A: Certified pile burners are trained to burn piles **legally, safely and efficiently**. Most importantly, it could save a life. Also, when the weather is dry, certified pile burners will receive priority for authorization to burn by the Florida Forest Service (FFS). Also, certified pile burners are allowed to burn up to two hours longer per day and get multiple day authorizations.

Q: What is a Pile Burner Customer Number?

A: When you call the FFS for an authorization to burn, you will be assigned a personal customer number. This number references your information so it doesn't need to be gathered each time you call for an authorization. You must have your individual FFS customer number in order to be certified.

Q: Is there a test?

A: Yes, the test is 20 questions and open-book. You must receive a score of at least 70% to pass.

Q: What if I don't pass?

A: Very few people fail the test but if you do, you will be provided another opportunity to take the test at a later date. If you fail the second time, you must re-register and take the training again.

Q: Why do you ask for my email on the application form?

A: Email is the fastest and most convenient method to inform registrants of their registration status. If no email address is provided then all correspondence will be sent through the federal mail. This can take several days to relay messages and this may not be practical if changes are made to the course schedule or for last minute registrations.

Q: How much does it cost to register for the training?

A: Registration for the training is \$50 per person and includes lunch, training materials and testing.

Q: How long does my certification last, and how long do I have to complete the certification from the time I finish the class?

A: As long as the person with the certification uses their number at least 5 times in a period of 5 years their certification will not expire under the current program. You **MUST** complete the certification burn within a year of taking the class.

Q: Will certified burners be notified if their certification expires?

A: Yes, notification will be sent out to them to let them know of their upcoming certification expiration date.

Q: Will I be certified at the end of the one day training?

A: No, you will need to follow the written instructions that you will receive from the FFS to become certified. You will need to complete a simple burn plan, have it reviewed and approved locally by the FFS and also have the burn itself reviewed and approved by the FFS.

Q: Is there a minimum age to be a certified pile burner?

A: Yes, you must be at least 18 years old to take the test and be a certified pile burner.