

Citrus Notes

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**December 2011**

Vol. 11-11

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Dear Growers,

Dr. Albrigo from the Citrus Research and Education Center has been providing citrus flower bud induction advisories and I included his latest update in the first newsletter article. In addition the information on flower bud induction I reviewed the citrus leaf freezing temperatures collected to date and this fits right in with the expectations of a warmer than normal winter. Tom Bryant has his monthly feature article on Agricultural Tax Planning specifically addressing UNICAP rules. The 2012 Florida Citrus Show will be in Ft. Pierce, January 25-26, 2012 and the Florida Citrus Growers' Institute is scheduled for April 10, 2012. Don't forget to take a look at the pesticide news and information section this month. I found an interesting article on genetically engineering mosquitos, could psyllids be next?

Merry Christmas and have a Happy New Year,

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Citrus Flower Bud Induction Advisories 2011-12

Dr. Gene Albrigo is once again providing growers with flower bud induction advisories this winter. To access all the advisories to date and monitor future updates, please visit the following website: <http://www.crec.ifas.ufl.edu/extension/flowerbud/2012/index.shtml>. The following excerpt is from his latest update on December 20, 2011.



This is a service to our citrus growers posted on the CREC website. The internet Expert System on intensity and time of bloom can be accessed anytime: <http://orb.at.ufl.edu/DISC/bloom>

Current Status: Not good: the Flowering Monitor Systems indicates that trees in all areas except the southern-most growing region had their first wave of flower buds start growth after the first week of December with accumulated hours below 68° F at low induction levels from 630 to 750 hours. I hope you had your blocks under moderate water stress to prevent this early start of growth. The continuous daily highs of about 80° F were sufficient to start growth. There are another 5 days of these temperatures predicted and the flower buds on trees in southern areas probably will be growing also if not prevented by drought. If bud growth on trees has been prevented, accumulated hours of flower bud induction are now above 700 in all areas except the Indian River, which is below 500. From Polk County north, accumulated induction hours were above 700 for the first wave of flower bud growth, minimally acceptable for economic flowering levels.

Since warm temperatures will continue for five more days, flower enhancing sprays will probably be beneficial, particularly for southern areas and if drought stress was not established. Growers can consider applying either 53 to 60 lbs of foliar urea/acre or a PO3 product at 3 pints to 2 quarts per acre depending on which product is used (60 % P (3pts) or if 26 % P (2 qts)). The chosen material should be applied in 80 to 125 gal of water preferably before Christmas. These

products apparently increase the stress level and enhance the amount of flowering induced by the cool temperatures.

If you have successfully established drought stress, trees should still be at rest and the weather until New Year's Day should be followed closely. After another 4 or 5 days of 80 o F, the temperatures are predicted to drop to the low 70s. As long as daytime highs stay near 70, the chance of tree growth should be minimal. If you get to the New Year without growth, flower bud induction levels should be adequate and normal irrigation can be resumed.

Have a Merry Christmas and New Year. The next advisory will be the first week of January.

If you have any questions, please contact me (albrigo@ufl.edu).



2012 Florida Citrus Show

The Florida Citrus Show will be held on January 25 and 26, 2012 at the Havert L. Fenn Center, Ft. Pierce, FL.

The program at the 2012 Florida Citrus Show will include updates on insect, weed and disease control strategies, fertilization, irrigation and food safety. The seminar also features indoor and outdoor exhibits with industry suppliers ready to share the latest product and service innovations with growers.

Additional program and registration information can be located at the following website: <http://www.citrusshow.com/>

International Symposium on Mechanical Harvesting & Handling Systems of Fruits and Nuts



This symposium will be hosted by the UF/IFAS Citrus Mechanical Harvesting & Abscission Program,

at the Citrus Research and Education Center in Lake Alfred, FL. Dates for the symposium are April 2ⁿ to 4^t, 2012. Additional information on the program along with registration information can be accessed at the following website:

<http://conference.ifas.ufl.edu/harvest/>



Citrus Leaf Freezing Temperatures Slowly Dropping?

To say this winter has been warm to date is an understatement. Last winter we had multiple nights of freezing temperatures by this time of the year. The citrus leaf freezing temperatures, along with tree acclimation, has been slow in developing. We have begun to run our initial weekly leaf samples starting back on November 28, 2011. Most all of our test locations, from Frostproof in the south to Umatilla in the north, have been fairly consistent in the leaf freezing temperatures values.

Citrus leaf freezing determinations made from samples collected on November 28, 2011 ranged from a low of 21°F at Umatilla to 25°F at Balm. Some acclimation has progressed in the northern areas of production whereas in our general central Florida area the process has barely started. By the following week (December 5, 2011) the leaf freezing temperatures in the northern sample areas from Lake Alfred north to Umatilla ranged from 21°F to 23°F. The sample areas south and west were still averaging 24°F for that week. Warmer weather prevailed the week preceding December 12, 2011, and there was a general trend for the temperatures in the south to hold steady while those in the areas to the north held steady or rose slightly.

At this time there has been some degree of acclimation based on the leaf freezing temperatures, but based on the trends of the last week and warm weather conditions the process of acclimation this year has been slow.

Florida Citrus Crate Label Show



2012 Florida Citrus Growers' Institute

Mark your calendars for the 2012 Florida Citrus Growers' Institute on April 10, 2012, at South Florida Community College in Avon Park. Additional details including a program brochure and registration information will be available soon.

Agricultural Tax Planning UNICAP Rules

(Author: Thomas J. Bryant, CPA is Tax Partner, Beasley, Bryant & Company, CPA's, P.A., Lakeland, Florida (863) 646-1373.

Under IRS Code Section 263A **Uniform Capitalization (UNICAP)** rules, farmers are required to capitalize direct material and labor costs and a portion of indirect costs incurred in production or resale activities.

For individual farmers, UNICAP generally applies to the production, growing or raising of property that has a **preproductive period of more than two years**. For plants, the preproductive period begins when the plant or seed is first acquired or planted to when a marketable crop is produced. UNICAP does not apply to costs of replanting damaged or lost crops due to casualty.

Individual farmers can elect out of UNICAP but the election out requires the use of the alternative depreciation system (ADS) for all property used in farming and placed in service in any tax year during which the election is in effect. The ADS method requires straight-line depreciation over the class life (not to be confused with recovery period) of the property and is less favorable than MACRS depreciation. Additionally, citrus and almond growers can not elect out of UNICAP during the first four years of preproduction. Election out of UNICAP also requires 1245 treatment upon disposition of the property. This election out of UNICAP cannot be made by a corporation, partnership or tax shelter required to use an accrual method of accounting. If you as a grower are required to use the accrual method of accounting, you are required to use UNICAP.

Crops Subject to UNICAP

The IRS has identified the following **crops which have a nationwide weighted average preproductive period in excess of two years**.

Almonds	Grapes	Pears
Apples	Guavas	Pecans
Avocados	Kiwifruit	Persimmons
Apricots	Kumquats	Pistachio nuts
Blackberries	Lemons	Plums
Blueberries	Limes	Pomegranates
Cherries	Macadamia nuts	Prunes
Chestnuts	Mangoes	Raspberries
Coffee beans	Nectarines	Tangelos
Currents	Olives	Tangerines
Dates	Oranges	Tangors

Almonds	Grapes	Pears
Figs	Papayas	Walnuts
Grapefruit	Peaches	

The determination that the preproductive period for these plants is in excess of two years is based on a nationwide weighted average and not the experience of the individual farmer.

Costs Subject to UNICAP

Costs typically required to be capitalized under the UNICAP rules include the following:

- Acquisition costs of seed, seedling or plant and
- Costs of cultivating, maintaining, or developing such plant during the preproductive period including but not limited to:
 1. Management
 2. Irrigation
 3. Pruning
 4. Soil and water conservation
 5. Fertilizing
 6. Frost protection and insect spraying
 7. Harvesting, storage and handling
 8. Upkeep and electricity
 9. Tax depreciation and repairs on building and equipment used in growing the plants
 10. Farm overhead
 11. Taxes(except state and federal income taxes)
 12. Interest required to be capitalized

For citrus growers, these costs are recovered through depreciation when the groves become productive in marketable quantities. The recovery period for vines and orchards is ten years.

An election out of UNICAP may be appropriate for beginning farmers who otherwise have limited income to offset with farm deductions, or farmers who aren't expected to require intensive investment in depreciable assets. Conversely, farmers with small investments in crops subject to the preproductive rules might not desire the election, so that MACRS can continue to be used on all farm assets. Each farmer's facts and cir-

cumstances need to be analyzed to determine if an election is appropriate.

An election under Section 179 may provide an expense that is not subject to UNICAP. On the other hand, an election out of UNICAP prohibits the use of bonus depreciation.

This article is intended as only a brief overview of the complex tax laws involved in the administration of the UNICAP rules as they relate to agricultural growers.

For more information on this topic and 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.

Thomas J. Bryant, CPA is Tax Partner, and Ryan Beasley is Business Management Partner, Beasley, Bryant & Company, CPA's, P. A., Lakeland, Florida (863) 646-1373.

Beasley, Bryant & Company wish you and yours a Merry Christmas and a Happy New Year



Annual Certified Pile Burners Course in SW Florida

The Florida Division of Forestry and University of Florida Cooperative Extension Service will be conducting a Certified Pile Burners

Course on Tuesday,

February, 21 2012. 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 8:00 am till 5:00 pm at the Southwest Florida Research and Education Center located in Immokalee, Florida. Included are a registration form and program agenda. See <http://www.imok.ufl.edu/> for directions to facility.

Registration is required to attend and class size is limited to the first 50 people. To attend please send the following information:

1. Your full name (as wanted on your pile burning certificate).
2. Your mailing address (where you want the certificate mailed).
3. Your Division of Forestry Customer Number (It is the number that you are required to give the DOF when you call in for your burn permits. If you do not know, it please call the local DOF office and ask them for it).
4. Your email address (if you have one) and/or contact phone number.
5. A check for **\$50.00** made out to **Hendry County 4-H**.

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 DOF 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 DOF office will set one up for you. Fill out the registration form at the end of this newsletter and return as directed.

Pesticide News and Information

Pesticide Certification Training Available in Spanish

A significant portion of those aspiring to become certified and licensed private applicators of restricted use pesticides are not fluent in English.

The Hispanic audience needing training to prepare for certification exams has historically been difficult to reach because of the language barrier. A few UF/IFAS county extension agents are fluent in Spanish and have successfully conducted face-to-face educational programming targeting the Hispanic audience. Many in this audience desire to become Private Applicators of restricted use pesticides. Private Applicators are licensed to apply restricted use pesticides by ground application for the purpose of producing an agricultural commodity on property owned or rented by the applicator or the applicator's employer.

Written and multimedia resources available in Spanish have been a long-time void of the UF/IFAS Pesticide Safety and Education Program. Recently, Cesar Asuaje (UF/IFAS Regional Extension Agent - Palm Beach County) prepared and made publicly-available several multimedia presentations targeting the Hispanic audience to assist them in preparing for pesticide applicator certification exams. Those who wish to become certified as Private Applicators must successfully pass two exams – the CORE and Private Applicator. The two presentations that are currently available, CORE and Private Applicator, present the material that these exams are based upon.

The presentations are free for public access via the Palm Beach County Website at <http://www.pbcgov.com/coextension/>. Upon entering the site, select "Agriculture" from under the "Cooperative Extension" tab. Then select "Hispanic Training" from under the "Agriculture Extension" tab. Next, select "Pesticide Certification." Look for "General Standard (CORE)" and "Private Applicator" beneath the heading, "Training Programs." Also available on this page is a very useful English – Hispanic translational glossary of terms used in the training.

Although EPA and FDACS approve training in languages other than English, all exams are mandatorily administered in English only.

EPA and Pyrethroid Insecticides

The EPA's recently completed cumulative risk assessment indicates that exposures from many current uses of pyrethrins and pyrethroid insecticides do not pose risk concerns for children or adults. Further, the cumulative assessment supports consideration of registering additional new uses of these pesticides. In 2009, EPA identified the pyrethroid chemicals as having a common mechanism of toxicity and has now completed a human health cumulative risk assessment for all uses of the pyrethrins and pyrethroids. The screening level cumulative assessment considers all registered uses of pyrethrins and pyrethroids and includes exposure from food, drinking water and residential settings through oral, dermal and inhalation routes of exposure. (EPA OPP Update, 11/911).

Genetically Engineered Insects

Insect-borne diseases such as dengue and malaria, as well as agricultural pests, could soon be controlled by genetically engineered insects according to recent results. Researchers are reporting initial signs of success from the first release of engineered mosquitos into the environment that pass a lethal gene to their offspring that kills them before they mature. Approximately 19,000 modified mosquitos were released over a four week period in 2009 in a 25-acre area on Grand Cayman Island. The genetically modified males accounted for 16 percent of the overall male population in the test zone, and the lethal gene was found in almost 10 percent of the larvae, suggesting that the modified males were almost half as successful in mating as the wild ones, a rate adequate enough to suppress the population. Authorities in the Florida Keys hope to conduct an open-air test on the genetically engineered mosquitos in December. "It's a more ecologically friendly way to control mosquitoes than spraying insecticides," said Coleen Fitzsimmons, a spokesman for the Florida Keys Mosquito Control District. In 2009, the Keys experienced the first cases of dengue in decades. The Department of Agriculture is investigating the use of genetic engineering to control agricultural pests such as the Mediterranean fruit fly and bollworms. The World Health Organization is preparing guidelines on how to safely field test genetically modified insects. (*International Business Times*, 11/1/11).

REGISTRATION FORM
Florida's Certified Pile Burner Program

Tuesday, February 21st, 2012

c/o Dr. Mongi Zekri

UF-IFAS Hendry County Extension Office

P.O. Box 68

LaBelle, FL 33975-0068

Registration is required to attend and class size is limited to the first 50 people.

Registration fee: \$50

The \$50 fee covers the training sessions, a booklet with all the presentations in color, other handouts, refreshments, and lunch

Please send this form and a check for **\$50.00**, payable to **Hendry County 4-H** to:

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University of Florida IFAS
Hendry County Extension Office
P.O. Box 68
LaBelle, FL 33975-0068

Name

Mailing address

Email address

Phone Number

DOF Customer Number