

Citrus Notes



Polk County Extension Service

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Dear Growers,

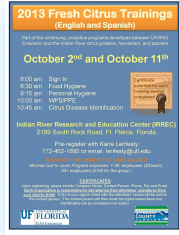
Our October OJ Break will be held on October 10, 2013 here in Bartow. I have arranged for Drs. Jude Grosser, Fred Gmitter and Gene Albrigo to make presentations. Specific registration information is included in the newsletter. Later on in October there will be the 2013 Fall Edition of Farm Labor Supervisor Core Training also here in Bartow. Then in November we will be holding our annual Citrus Employee Safety Training and Tractor Rodeo. I have included an article on control of psyllids in young citrus trees based on a presentation made by Dr. Michael Rogers. The Agricultural Tax Planning article this month deals with hobby losses.

Enjoy,

Chris Oswalt
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2013 Fresh Citrus Trainings

Included with the newsletter is a flyer for the Annual Food & Hygiene, WPS/PPE and Citrus Identification & Decontamination Training sessions. The trainings are scheduled for October 2 and October 11, 2013 at the UF/IFAS Indian River Research and Education Center at Ft. Pierce.



Polk County October OJ Break

Our October Polk County OJ Break will be held at the Stuart Conference Center, 1710 US Hwy 17 S in Bartow on Thursday, October 10, 2013 beginning at 10:00 a.m.

Our speakers for this OJ Break will be Dr. Jude Grosser, Dr. Fred Gmitter and Dr. Gene Albrigo from the UF/IFAS Citrus Research and Education Center (CREC). Drs. Grosser and Gmitter are members of the Citrus Plant Improvement Team at CREC. Dr. Grosser will be covering some of the new citrus plant material currently out in the field and Dr. Gmitter will be discussing the search for HLB escape trees. Last year citrus fruit drop was a major issue and concern throughout the state of Florida. I have asked Dr. Albrigo to discuss citrus fruit drop.

Our lunch sponsors for the OJ Break are Jay Skillman and Trey Whitehurst from Winfield in Plant City. We need to have you pre-register for the OJ Break so we can get a count for lunch. Please do so by contacting Gail Crawford at 863-519-8677 ext. 111 or by emailing her at: dorothy@ufl.edu by Monday, October 7, 2013.



Fall 2013 Farm Labor Supervisor Core Training Scheduled

Attached to this newsletter you will find information and registration links to the 2013 Fall Farm Labor Supervisor Core Training Program. This training is for supervisors of farm workers including field supervisors, labor contractors, crew leaders, growers, bus and van drivers, and office staff, including payroll and HR.

These sessions will be held in five locations in south and central Florida. This year we will be holding one of these trainings here in Bartow on Wednesday, October 23rd, at the Stuart Conference Center, 1710 US Hwy 17 S. This will be the northern most training to be held this fall in Florida.

2013 Citrus Employee Safety Training and Tractor Rodeo

Our Annual Citrus Employee Safety Training and Tractor Rodeo is scheduled for Thursday, November 7, 2013. This year in our pesticide safety training we will be providing the required Globally Harmonized System of classifying pesticide labels and the new Safety Data Sheets (SDS). This new GHS requires that employees be trained in these new labels and SDS by December 1, 2013. We are in the process of finishing up the program and will have registration information available in our October 2013 issue of Citrus Notes.

Asian Citrus Psyllid Control in Young Citrus Trees



The following information is from a presentation that Dr. Michael Rogers from the University of Florida's/Citrus Research and Education Center (UF/CREC) made at the 2013 Florida Citrus Growers' Institute in Avon Park. You can see and hear his presentation and view the materials in their entirety at the UF/IFAS Citrus Agents website at: <http://citrusagents.ifas.ufl.edu>.

Currently the University of Florida's/Institute of Food and Agricultural Sciences (UF/IFAS) Asian citrus psyllid (ACP) control recommendations are that soil applied neonicotinoids be made to young trees every six weeks to prevent Huanglongbing (HLB) infection. The neonicotinoids not only kill ACP, but these materials disrupt the feeding behavior of ACP resulting in very low transmission rates. It is concurrently recommended that foliar application of insecticides with a different mode of action and ACP activity be applied every month to prevent ACP neonicotinoid resistance. These soil applied applications of neonicotinoids are not 100% effective, but depending on local conditions the

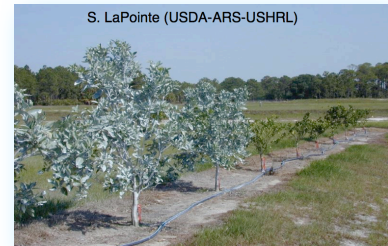
infection rates should be in the less than one to three percent range using these in rotation with appropriate foliar ACP control sprays. How important is ACP control today? Recently randomly selected samples of field collected ACP in Florida resulted in a 60% HLB positive ACP population. This means that on average six out of every 10 randomly collected ACP in the field are hot for HLB. With this high level of field pressure how do we as growers come up with a good plan to protect the future of our new or reset tree plantings?

The afore mentioned program is where to start, but what are the pitfalls and conditions that could derail even our best efforts? One potential mistake is to assume that soil applied neonicotinoids are the only treatment needed for ACP control in young tree. Yes, these materials are very effective and do prevent HLB transmission, but without the proper selection of foliar applied ACP insecticides with different modes of action psyllid resistance can come on very fast. Using only monthly foliar applications of insecticides to control ACP are also not as effective as the combination of soil applied and foliar. This is due to the fact that, foliar applied materials do not disrupt feeding behavior or prevent HLB transmission. These foliar applications are also susceptible to degradation of efficacy by rainfall resulting in only about a week of ACP killing activity. This low residual activity of foliar insecticides occurs under certain environmental conditions and field ACP pressure. In selecting a foliar insecticide, it is more important to rotate the mode of action of the insecticide than selecting the time of the year to use it. One recent study by Dr. Rogers (UF/CREC) indicated a failure of only using soil applied neonicotinoids to reduce the overall infection rate due to ACP resistance in just one year. So even though you are applying soil neonicotinoids you need this foliar insecticide activity overlapping these soil applications.

There is an additional material that has shown good psyllid activity in recent trials done by Dr. Rogers and the folks over at the United States Department of Agriculture/Agricultural Research Service (USDA/ARS) in Ft. Pierce. Kaolin clay, sold under the trade name Surround WP, has been effective in deterring some insects including the ACP. Current research from Dr. Rogers has demonstrated a reduction in ACP infestation and deterred feeding. Applications of kaolin clay coat the leaf surfaces with a white clay residue. This

clay residue prevents the ACP from moving around the leaf surface, gaining a firm attachment to citrus leaves and laying eggs. The lack of attachment prevents the ACP from probing or feeding on the citrus leaf. If ACP can't feed in the phloem it can't transmit HLB. The earlier work done at the USDA in Ft. Pierce demonstrated a 31% reduction of ACP nymphs and a 61% reduction in adult ACP over a two week period. Kaolin, however is susceptible to being washed off by rainfall and it is difficult to keep enough of this material on the leaf surfaces during the rainy season.

The use of kaolin does come with some concerns. It has been shown to increase populations of scale insects, can mask HLB symptoms and could affect photosynthesis within mature tree canopies under low ambient light conditions. This does not seem to be the case in young citrus trees. In fact, earlier research done at the UF/IFAS Citrus Research and Education Center and the USDA Ft. Pierce have found that the kaolin clay actually reduces leaf temperature and under conditions of high temperature allow photosynthesis and tree growth to continue. This resulted in the USDA study as an increase in young citrus tree growth compared to unsprayed trees.



Kaolin treated trees compared to non-treated young citrus trees. Both treated and non-treated citrus trees are the same age planted at the same time.



Young citrus tree treated with kaolin.

How much is enough? Dr. Rogers recommends that this material works best during conditions of low rainfall. An initial application of kaolin at 50 pounds per 100 gallons of water to create a base coat. Then monthly sprays of 10 to 20 pounds of kaolin per 100 gallons of water. In Dr. Rogers stud-

ies these applications resulted in longer residual control than the foliar applied insecticides. However, it should be noted that kaolin is susceptible to being washed off by rainfall and any new flush that emerges after the application would be exposed until another kaolin application is made.

At the Conserv research farm, Dr. Rogers had a trial with a number of different ACP treatments on new young citrus tree planting. At the end of the first year the trial individual trees were tested by polymerase chain reaction (PCR) to determine the percent of HLB infection. Then a treatment using soil applied neonicotinoids applied every six weeks with monthly foliar applications of kaolin and another treatment using soil applied neonicotinoids applied every six weeks with monthly foliar insecticide applications, resulted after one year a 0% HLB infection. A third treatment of monthly applications of kaolin had an infection rate of 1.3%. One additional finding in this study was that the treatment that used only soil applied neonicotinoids resulted in ACP resistance and had a higher percent infection after one year. After 18 months these trees were again tested for HLB by PCR. The percent infection over all treatments was significantly higher because of the high population of uncontrolled ACP, due to the resistance issue of one treatment. The moral of the story is that it is extremely important to not let ACP populations reach high levels in young blocks. One lapse in control can result in a significant increase in the HLB infection.

Agricultural Tax Planning - Hobby Losses - Avoid the Trap

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

Is your small business (Schedule C or F filer) an actual small business or a hobby in the eyes of the IRS? A hobby is basically an activity **not engaged in to make a profit** and hobby losses can only be deducted to the extent hobby income is received. Don't get caught in this situation! Many small businesses have losses in the start up years and even in later years due to circumstances beyond the control of the owner.

The IRS when making a determination if whether your activity is a for-profit activity or a hobby will first determine whether or not your activity has generated a

profit in 3 out of 5 consecutive years. If so, your activity is generally presumed to be a for-profit business. However, this general presumption is refutable and the IRS may look further and consider 9 other relevant factors to make their determination. Alternatively the taxpayer, if not meeting the general test, may also refute the presumption that his or her activity does not have a profit motive by use of the 9 factors.

The 9 Relevant Factors

1. The Manner in Which the Taxpayer Carries on the Activity

Keeping complete and accurate books and records; including preserving supporting documents and maintaining a separate checking account for the activity is good business practice. Also it is important to prepare a **business plan**. To be considered an activity carried on in a businesslike manner, the taxpayer must meet one of three following factors:

- must keep complete and accurate books and records;
- must have changed the business operation to increase profits; or
- must have conducted the activity in a manner substantially similar to other profitable activities of the same nature.

2. Expertise or Experience of Taxpayer or Advisors

The owner of the activity should have prior experience in the activity or should obtain such knowledge through education or consulting with others who are experts in the activity. The owner should at least investigate the feasibility of the activity to make a profit. For the owner to have the required expertise or experience in operating the activity, the owner must have:

- prior experience;
- learned to operate the activity through education; or

- obtained expert advice about operating the activity.

3. Time and Effort Expended

The time and effort expended by the owner may be a determining factor, but the lack of recreational time spent may be the more important factor. The effort made by the owner to make the activity profitable is another consideration. For the taxpayer to be considered to have spent sufficient time operating the activity for-profit, the taxpayer must:

- devote a substantial amount of time to the activity without any personal entertainment or recreational benefits; or
- employ qualified others to perform the activity.

4. Expectation That Assets May Appreciate in Value

The expectation that the taxpayer will make a profit on the eventual sale of appreciated property used in the activity may indicate a profit motive, even if current operations are not producing income. The mere expectation of property appreciation in the absence of supporting evidence is not sufficient to establish a profit motive.

5. Success in Operating Similar Activities

Success in operating a similar activity or success in operating and making a profit in other activities may be sufficient to indicate a profit motive even if current activity is not at present producing income. On the other hand, a taxpayer who has failed in similar activities or has operated similar activities as a hobby may be deemed to not have a profit motive.

6. History of Losses

Losses continuing after the start-up period that are not due to ordinary business risks or unforeseen conditions may indicate the activity does

not have a profit motive. Losses during the start-up period are deductible as long as there is reasonable expectation of profits in the future.

7. Occasional Profits

The amount of profits generated by the activity in relation to the amount of losses and the investment involved could be a determining factor. An activity generating large losses and only occasional profits, or in which the owner has a large investment, will usually be considered not to have a profit motive. Large but occasional profits on the other hand will in most cases indicate a profit motive.

8. Financial Status of Owner

Activities where the owner has no other sources of income may indicate a profit motive. Conversely, substantial income from other sources, where the activity in question is generating losses producing substantial tax benefits, may indicate such activity is not for-profit. This is especially true when the activity is used for entertainment or recreational benefits.

9. Presence of Entertainment or Personal Recreation

Personal pleasure or recreational elements present in the operation of the activity may indicate that the activity is not engaged in for a profit. The opposite is true where no personal pleasure exists and only a profit motive is present. The mere fact that the taxpayer derives some personal pleasure from the activity does not nullify the profit motive when evidence of other factors are present that indicate a for-profit business.

Summary

Using good business practices and maintaining a separate bank account will help in establishing that the activity has a profit motive.

As mentioned at the beginning of this article, the first test is whether the activity has profits in 3 out of 5 consecutive years. If the activity does not meet this test or

barely complies, look at all of the 9 relevant factors that you can meet. Each factor may not always carry equal weight in evaluating the activity as the particular nature of the activity may give more weight to some factors than to others. Be proactive and get a handle on these factors up front. An IRS examination that results in your activity being deemed a hobby and the resulting loss of prior and future tax benefits can be devastating. If you receive an audit notice or are concerned as to whether or not your activity is a business or a hobby, consult a tax professional as soon as possible. Once an audit is conducted, it may be too late.

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.



Pesticide News & Information

Globally Harmonized System of Classification and Labeling of Chemicals

The Occupational Safety and Health Administration (OSHA) has revised its Hazard Communication Standard to conform to the United Nations' Globally Harmonized System of Classification of Labeling of Chemicals (GHS). This revision has two significant changes that are related to the way chemicals (and pesticides) are labelled and has a new format for what are called Safety Data Sheets (SDS). The SDS sheets are similar to what we now call Material Data Safety Sheets or MSDS. The first deadline for incorporation of these changes is December 1, 2013. To help growers comply with this new requirement we have included a presentation on the required information in our Annual Citrus Employee Safety Training Day to be held on November 7, 2013. For additional information on these changes, please visit the following OSHA website: <https://www.osha.gov/dsg/hazcom/index.html> .

2013 Fresh Citrus Trainings (English and Spanish)

Part of the continuing, proactive programs developed between UF/IFAS Extension and the Indian River citrus growers, harvesters, and packers

October 2nd and October 11th

- 8:00 am Sign In
- 8:30 am Food Hygiene
- 9:15 am Personal Hygiene
- 10:00 am WPS/PPE
- 10:45 am Citrus Disease Identification



Indian River Research and Education Center (IRREC)
2199 South Rock Road, Ft. Pierce, Florida

Pre-register with Karla Lenfesty
772-462-1895 or email: lenfesty@ufl.edu

THE COST THIS YEAR IS THE SAME AS 2012!

*Minimal cost to cover Program expenses: 1-49 employees (\$2/each),
50+ employees (\$100 for the group.)*

CERTIFICATES

Upon registering, please include Company Name, Contact Person, Phone, Fax and Email. **Each organization is responsible for deciphering their attendees' signatures from your sign-in sheet.** A fax of your sign-in sheet with the attendees' names will be sent to the contact person. The contact person will then email the typed names back and **Certificates** will be completed and mailed.





2013 FARM LABOR SUPERVISOR CORE TRAINING PROGRAM

Training in four key areas:

8:00am-10:00am

WAGE & HOUR



1:00pm-3:00pm

WORKER SAFETY



10:00am-12:00pm

DISCRIMINATION AND HARASSMENT



3:00pm-5:00pm

SAFE DRIVING



WHO: Supervisors of farm workers including field supervisors, labor contractors, crew leaders, growers, bus and van drivers, office staff including payroll and HR.

LANGUAGE: English and Spanish, please state preference when registering

TIME: 8:00am to 5:00 pm

FEE: \$80.00 includes lunch.

Help protect your company from costly mistakes. !!!

Limit your potential liabilities that may result from unknowing non-compliance.

Show your buyers and employers you know the regulations.

REGISTRATION INFORMATION

Homestead Tuesday September 10, 2013 http://fls2013homestead.eventbrite.com

Belle Glade Tuesday September 24, 2013 http://fls2013belleglade.eventbrite.com

Arcadia Tuesday October 22, 2013 http://fls2013arcadia.eventbrite.com

Bartow Wednesday October 23, 2013 http://fls2013bartow.eventbrite.com

Immokalee Tuesday October 29, 2013 http://fls2013immokalee.eventbrite.com

For more information please contact: Julie Carson at: carsonj@ufl.edu or 239-658-3462

Participants will receive an Attendance Certificate.



2013

PROGRAMA DE ENTRENAMIENTO PARA SUPERVISORES DE TRABAJOS AGRICOLAS

CURSO DE FORMACIÓN EN CUATRO ÁREAS CLAVES:

8:00am-10:00am

HORAS Y SALARIOS 2 horas



1:00pm-3:00pm

SEGURIDAD 2 horas



10:00am-12:00pm

DISCRIMINACION 2 horas



3:00pm-5:00pm

MANEJANDO CON 2 horas

CUIDADO



PARA QUIEN: Supervisores de trabajadores del campo, contratistas, mayordomos, choferes de buses, dueños de granjas, empleados de oficinas.

IDIOMA: Ingles y Español. Por favor mencione cual prefiere cuando se registre.

HORA: 8:00am a 5:00 pm

PRECIO: \$ 80.00 incluye almuerzo.

Ayude a proteger a su compañía de errores costosos. !!!

Limite las posibles responsabilidades que pueden resultar de no saber los incumplimientos.

Muestre a sus compradores y empleados que Usted sabe de regulaciones.

INFORMACION DE REGISTRO

Homestead Martes 10 de Septiembre, 2013

http://fls2013homestead.eventbrite.com

Belle Glade Martes 24 de Septiembre, 2013

http://fls2013belleglade.eventbrite.com

Arcadia Martes 22 de Octubre, 2013

http://fls2013arcadia.eventbrite.com

Bartow Miercoles 23 de Octubre, 2013

http://fls2013bartow.eventbrite.com

Immokalee Martes 29 de Octubre, 2013

http://fls2013immokalee.eventbrite.com

Para mas informacion por favor contactese con: Julie Carson al: carsonj@ufl.edu o 239-658-3462

Participantes recibirán un Certificado de Asistencia.