

Tracy Ellingson

From: Sandra Myers <slm4333@ksu.edu>
Sent: Thursday, May 18, 2017 10:47 AM
To: Kent Vickre
Subject: 2-B-2 Sandra Myers individual newsletter submission for NAFBAS Professional Papers
Attachments: 2017 2nd quarter(1).pdf

Good morning! I'm going to bite the bullet and I would like to submit a newsletter that I created for my clients. I have attached it as a PDF.

*Sandy Myers,(Kansas Farm Management Association, SW)

*Individual newsletter

If there are any issues with it not coming through, or if you have any questions, please call me!

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KFMA-SW

2nd Quarter, 2017

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AFTER FIRE & BLIZZARD, KANSAS HAS PROVEN WE ARE TOUGH STOCK!

Wow, has 2017 been speeding past!
 Tax season and analysis are finished;
 Summary books will be available very soon!
 I'm headed into "conference season" now and will be starting spring visits in the next few weeks. Keep an eye out for that bright yellow postcard!
 -Sandy Myers



My daughter and I visited family in Colorado Springs in March. That's Pikes Peak in the background!

The 2016 SW Region summary books are completed. Thank you to those that helped provide the data needed to do an analysis. That information is anonymously compiled to create these summary books, which can be a tremendous help in gauging your own farm's performance and sustainability. The analysis is a wonderful planning tool in helping make farm decisions. Plus, your bankers will be more willing to work with you! Here is a quick rundown of 2016:

***Net Accrual Income: \$39,615.**

This is down from \$56,101 in 2014, but up from 2015 at \$37,423. State average was \$43,161 with 1,024 farms surveyed. Government payments and high yields are the main factors in these incomes.

***Family Living averaged \$63,816** per 2-person household. This includes off-farm utilities, food, upkeep, education, personal/recreation, gifts, medical, contributions, etc.

***Average Yields:**

Dryland wheat: 71.49 bu/ac	Irrigated wheat: 70.17 bu/ac
Dryland milo: 107.88 bu/ac	Irrigated milo: 139.13 bu/ac
	Irrigated corn: 204.08 bu/ac

***This year's summary book has 4 county-specific, plus 2 combined county regions** again so that hopefully you can utilize the information for the best comparison for your farm.

I had the honor of being the speaker at the Women in Ag's Night Out in Jetmore this year. My topic was "Preparing your Finances for Disaster" in light of the rollercoaster Mother Nature has taken Kansas on this year. Disaster can strike in many forms; tornado, fire, blizzard, drought, death, divorce... Everyone knows to have an emergency kit ready with water, food, batteries, flashlights, etc. but what about your finances?



If you want to be more prepared, I have handouts to help you feel more prepared in the worst-case scenario and would be glad to go over the finer details of insurance, beneficiaries, how much your emergency fund should have in it, what paper records you need to keep and suggestions on listing out important personal and financial information.

ACA REPEAL/REPLACE

This is still in the approval stages, but it has been passed by the House and is waiting for Senate approval. If the ACHA passes, I will let you know how that will affect you personally. A few things proposed:

- Penalty for not having healthcare is removed; however a 30% premium increase for 1 year is allowed if you let coverage lapse
- Net Investment Income Tax (NIIT) of 3.8% is eliminated
- Medicare Tax increase of 0.9% is reversed
- Tax on over-the-counter medications and prescription medications is removed
- Tax credits for marketplace insurance are based on your age, rather than income limits, increasing from \$2,000 for anyone under 30 up to \$4,000 for anyone over 60.

Other Tax News:

- You can reimburse for healthcare coverage if you have only ONE W-2 employee. You can reimburse dental/vision coverage for ANY number of employees.
- Salaries to family members need paid year-long; large year-end bonuses are a red flag for IRS and may not be allowed as a farm deduction
- Section 179 deduction limit for 2017 is \$510,000. Pickups are fully deductible IF they have at least a 6' open cargo area. Smaller beds & SUV's are limited to \$25,000 deduction.