Cases, Regulations and Statutes

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the land, building and corporate stock were all included in the decedent's gross estate. The ruling concludes that the assets were used in a single trade or business.

In conclusion

The rulings, including the latest ruling in late 1999, make it clear that a revocable inter vivos trust as a grantor trust is not an impediment to eligibility for trade or business status if the grantor was carrying on a trade or business directly or through the efforts of an agent or employee. It would appear that assets leased by a revocable inter vivos trust under a cash rent lease would likely be ineligible where the decedent was not carrying on a trade or business.

FOOTNOTES


5. I.R.C. § 6166(c)(1)(h)(1).

6. Ltr. Rul. 7917006, Jan. 11, 1979 (leased land was not part of business); Ltr. Rul. 8140020, July 1, 1981 (assets under cash lease to corporation not deemed to be interest in closely-held business); Ltr. Rul. 9403004, Oct. 8, 1993 (cash rent lease of ranchland to corporation partly owned by decedent; decedent's interest treated as separate).

7. Compare Ltr. Rul. 9410011, Dec. 2, 1993 (land owned by decedent and operated by decedent and partnership comprised of decedent's son and grandchildren with produce sold at stand operated by decedent and corporation involving decedent's son and another person; land eligible as interest in closely-held business because decedent actively engaged in the three operations even though land on which stand located leased to son and other person although no rent collected).

8. Ltr. Rul. 7747007, Aug. 19, 1977 (grantor trust); Ltr. Rul. 8132027, May 1, 1981 (grantor trust; leasing under crop-share lease); Ltr. Rul. 9422052, March 9, 1994 (grantor trust; property was nonfarm rental property managed by decedent).


14. Id.

CASES, REGULATIONS AND STATUTES by Robert P. Achenbach, Jr.

BANKRUPTCY

GENERAL-ALM § 13.03.*

ESTATE PROPERTY. The debtor was a wheat and onion farmer who filed for Chapter 12 but converted the case to Chapter 7. The debtor had obtained federal crop insurance for 1994, 1995 and 1996 and had received insurance proceeds for crop losses in each year. The debtor filed for bankruptcy in February 1998 and received a discharge in November 1998. On October 21, 1998, Congress passed the Crop Loss Disaster Assistance Program but the regulations governing applications were not issued until April 1999. The debtor filed an application in April 1999 and received a disaster payment. The court held that the disaster payment was estate property because all of the qualifying requirements, planting the crops and the disaster losses, occurred prior to the bankruptcy case petition. In addition, the court held that the disaster payments were the proceeds of the crops and included in the estate property. See also In re Lesmeister, 242 B.R. 920 (Bankr. D. N.D. 1999) under Secured Transactions infra. In re Lemos, 243 B.R. 96 (Bankr. D. Idaho 1999).

CHAPTER 12-ALM § 13.03[8].*

DISMISSAL. The debtors originally filed for Chapter 12 in 1987 and filed an amended plan in 1988. After several appeals, the debtors and creditors reached a settlement agreement which produced a confirmable plan. The plan provided for payment of secured claims outside of the plan. Payments to unsecured creditors were not provided in the plan itself but were included in a Summary of Operations which provided for $50,000 in annual disposable income to be paid to the trustee for distribution to unsecured creditors. The debtors did not make any payments to the trustee and in June 1998, the trustee moved to dismiss the case. The case was dismissed and the debtor sought to reopen the case. The court held that the Summary of Operations was included in the plan; therefore, the plan provided for payment of disposable income. The court found that the debtors had not made any payments of disposable income to the trustee, had not filed monthly reports as required by the plan, and had failed to make all plan payments within five years; therefore, dismissal of the case was proper. In re Gribbins, 242 B.R. 637 (Bankr. W.D. Ky. 1999).

MODIFICATION OF PLAN. The debtors’ Chapter 12 plan had received confirmation. The plan provided for one secured creditor’s claim to be paid, $631 per month over
the life of the five year plan; however, the payments did not actually reach that level until month 43 of the plan and actually only averaged $631 per month over the plan. The secured creditor did not object to the plan before confirmation and filed a motion to revoke the plan almost one year after confirmation. The court held that the only grounds for revocation of a confirmed plan was fraud by the debtor and a motion for revocation for fraud had to be made within 180 days after confirmation. Although the court recognized that the plan was less than clear and may have been deceptive, the court also recognized that the secured creditor, a Farm Credit Bank, had much expertise and experience in dealing with Chapter 12 plans. In addition, the court stated that the creditor’s main objection was that its claim was not adequately protected during the first 43 months of the plan, although the creditor would eventually receive the value of its claim. The court denied the motion for revocation. In re Courson, 243 B.R. 288 (Bankr. E.D. Tenn. 1999).

CHAPTER 13-ALM § 13.03.*

DISPOSABLE INCOME. The debtors were employed full time in off-farm occupations. The debtors rented a 195 acre farm on which the debtors boarded their two horses and raised hay. The debtors averaged net monthly income from the farm was $25.00. The debtors’ Chapter 13 plan provided for monthly payments of $610 on a loan secured by a tractor and haybaler attachment. The trustee objected to the payment as violating the disposable income provision because the tractor was a luxury. The court found that if the debtors returned the tractor to the secured creditor, the debtors would need to incur at most only $300 in additional expenses for the care of the horses, leaving an additional $300 per month to be distributed to unsecured creditors. The court held that the plan could not be confirmed because all disposable income was not distributed to unsecured creditors. In re Lindsey, 243 B.R. 30 (Bankr. E.D. Tenn. 1999).

FEDERAL TAX-ALM § 13.03[7].* DISCHARGE. The debtor filed for Chapter 12 and the plan provided for full payment of all taxes owed as of the petition filing date. The debtor completed payments under the plan and sought a discharge. The IRS objected to the discharge, claiming that post-petition interest and penalties were still owed on the tax claims. The District Court held that the debtor was not liable for post-petition interest on tax claims which were paid in full under the plan. The District Court also held that the penalties on the taxes were not discharged because the failure to pay the taxes post-petition was the fault of the debtor and was not caused by operation of the bankruptcy law or rules. The appellate court reversed, holding that the interest on nondischargeable taxes is also nondischargeable. In re Artisan Woodworkers, 2000-1 U.S. Tax Cas. (CCH) ¶ 50,270 (9th Cir. 2000).

The debtor had filed a previous Chapter 11 case which lasted two years and in which the debtor received a discharge. The current case was filed two years and three months later. The IRS argued that the three year limitation period of Section 507 was tolled during the first bankruptcy case plus six months. The court held that, under In re Quenzer, 19 F.3d 163 (5th Cir. 1993), at least in the Fifth Circuit, the three year period was not tolled during a bankruptcy case because I.R.C. § 108(c) suspends only non-bankruptcy limitation periods. The IRS also sought equitable relief under Section 105; however, the court held that the IRS had ample time to make the assessments and collections during the two years and three months between the bankruptcy filings and had not shown any misconduct by the debtor that interfered with the collection process. In re Offshore Diving & Salvaging, Inc., 242 B.R. 897 (Bankr. E.D. La. 1999).

The debtors had filed three previous Chapter 13 cases, each of which was dismissed prior to granting of a discharge. The court held that the three year limitation period of Section 507 was tolled by each of the prior bankruptcy cases. In re Kaiser, 242 B.R. 643 (Bankr. N.D. Ohio 1999).

At issue was the dischargeability of taxes due more than three years before the filing of the petition. For the years at issue, the joint filing debtors were either late in filing or were forced to file after failing to file tax returns. The debtors maintained only poor business records and paid taxes on time only through taxes withheld from wages. In several of the filings, incorrect deductions were claimed and income was omitted. During the years at issue, the debtors had sufficient funds to pay the taxes due. The court held that the actions of the debtors indicated a willful attempt to evade taxes, making the taxes for those years nondischargeable. In re Binkley, 242 B.R. 728 (M.D. Fla. 1999), aff’d, 176 B.R. 260 (Bankr. M.D. Fla. 1994).

CONTRACTS

HEDGE-TO-ARRIVE CONTRACTS. The defendant had raised and sold grain for many years and had orally agreed to sell grain to the plaintiff using a hedge-to-arrive contract. The contract allowed the defendant to roll over the delivery date at the same price. The defendant claimed that the plaintiff’s agent stated that a roll over of the delivery date would cost the defendant only three to four cents per bushel. After the defendant decided to rollover the delivery date, the defendant learned that the cost of the rollover was the difference in the futures price of the initial delivery month and the actual delivery month, more than 50 cents per bushel. The defendant’s attorney sent a letter to the plaintiff stating that the defendant was advised not to make any deliveries until a written contract was delivered. The
plaintiff then terminated the contract and sought damages from the extra cost, almost double the contract price, of covering the grain amount in the contract. The defendant sought to invalidate the contract because (1) no contract was formed because no meeting of the minds occurred, (2) the oral contract violated the Statute of Frauds, (3) the contract was ambiguous, (4) the plaintiff breached a duty to inform the defendant of all risks, (5) the contract was an illegal, unregistered futures contract, (6) the plaintiff improperly terminated the contract, and (7) the plaintiff failed to mitigate damages. The court held (1) the defendant’s own testimony identified all the terms of the contract and the defendant’s rollover election showed that the defendant knew the terms of the contract; (2) the Statute of Frauds did not apply because the defendant admitted the existence of the contract; (3) the defendant’s actions under the contract showed that the defendant understood the unambiguous terms of the contract; (4) the failure of the plaintiff to inform the defendant of all the risks had no bearing on the formation of the contract, just the cost of the rollover of delivery; (5) the contract was not an illegal futures contract because delivery was always intended; (6) the defendant’s attorney’s letter was sufficient repudiation of the contract to allow early termination of the contract; and (7) the plaintiff had always been willing to accept payment at the current price and purchased “cover” grain only when the defendant refused to make payment.


FEDERAL AGRICULTURAL PROGRAMS

LIVESTOCK. The AMS has issued proposed regulations which establish a mandatory program of reporting information regarding the marketing of cattle, swine, lambs, and products of such livestock under the Livestock Mandatory Reporting Act of 1999, Pub. L. 106-78; 113 Stat. 1188 (1999), 7 U.S.C. 1635-1636h. This proposed rule requires the reporting of market information by certain livestock packers, and livestock product processors and importers who annually slaughter an average of 125,000 cattle or 100,000 swine, or slaughter or process an average of 75,000 lambs. Importers who annually import an average of 5,000 metric tons of lamb are also required to report. These entities would be required to report the details of all transactions involving purchases of livestock and of domestic and imported lamb carcasses and imported lamb cuts, and the details of all transactions involving domestic and export sales of boxed beef cuts including branded product, sales of domestic and imported boxed lamb cuts including branded product, purchases of imported boxed lamb cuts including branded product, and lamb carcasses to the AMS. 65 Fed. Reg. 14651 (March 17, 2000), adding 7 C.F.R. Part 57.

NATIONAL ORGANIC PROGRAM. The AMS has issued proposed regulations establishing the National Organic Program under the Organic Foods Production Act of 1990 (OFPA). The proposed regulations establish national standards for the production and handling of organically produced products, including a national list of substances approved and prohibited for use in organic production and handling. The proposed regulations also provide for importation of organic agricultural products from foreign programs determined to have equivalent organic program requirements. The AMS has a web page devoted to the NOP: http://www.ams.usda.gov/nop

Some of the major provisions are:

- Labeling as “organic.” (1) If a product is 100 percent organic, it can be labeled as such. (2) A product that is at least 95 percent organic can be described as, for example, organic. (3) If a food product contains between 50 and 95 percent organic content, it can be described as “made with organic ingredients,” and up to three organic ingredients can be listed. Finally, if the food contains less than 50 percent organic content, the term, “organic,” may only appear on the ingredient information panel. If a food product is produced using an excluded food production method, such as genetic engineering or irradiation, the product may not be labeled using the first three methods.
- Excluded production methods. The proposed regulations exclude irradiation, genetic engineering, sludge sewage fertilizing, and use of antibiotics from the definition of organic food production.
- Certification. The proposed rules provide for certification of organic crop producers and handlers only. Grocery stores and restaurants are not covered by the certification process. Certifying agents will be accredited by the USDA after the rules become final. Certifying fees can be charged by the agents and will be reviewed by the USDA for reasonableness and fairness. Certifying agent accreditation must be renewed every five years.
- State standards. Individual states are allowed to establish organic production standards which are as strict or stricter than the national standards; however, states may not discriminate against importation of food produced in another state which complies with the national standard.
- Organic system plan. The individual producer will be required to negotiate an organic system plan for each crop, wild crop, livestock and handling operation. The organic system plan is a detailed description of how an operation will achieve, document, and sustain compliance with all applicable provisions in the OFPA and the regulations. The plan has six components: (1) the organic system plan describes the practices and procedures used, including the frequency with which they will be used, in the certified operation; (2) the plan must list and characterize each substance used as a production or handling input; (3) the plan must identify the monitoring techniques which will be used to verify that the organic plan is being implemented in a manner which complies with all applicable requirements;
(4) the plan must explain the recordkeeping system used to preserve the identity of organic products from the point of certification through delivery to the customer who assumes legal title to the goods; (5) the plan must describe the measures to be taken to avoid contact between certified production and handling operations and prohibited substances and document how the operation will prevent commingling of organic and nonorganic products; and (6) the plan must contain the additional information deemed necessary by the certifying agent to evaluate site-specific conditions relevant to compliance with these or applicable state program regulations.

- Organic crop production. Any field or farm parcel used to produce an organic crop must use only organic seed, seedlings and planting stock; be managed (e.g., crop rotation, pest control) so as to at least preserve the fertility of the soil; and have had no prohibited substances applied to it for at least three years prior to harvest of the crop. Such fields and farm parcels must also have distinct, defined boundaries and buffer zones to prevent contact with the land or crop by prohibited substances applied to adjoining land.

- Livestock production. Livestock and animals must be fed with organic food, cannot be treated with antibiotics, and can be treated only with substances included on the national list of approved substances. Edible livestock and animals must be under continuous organic management from birth except in four cases: (1) poultry management can begin with the second day of life; (2) milk products must come from a cow under continuous organic management for at least one year; (3) nonedible animal products must come from animals under continuous organic management for at least one year; and (4) offspring may be considered organic if produced from breeder stock which came under continuous organic management for at least the last third of pregnancy.

- Handling of organic products. The proposed regulations permit mechanical or biological methods to be used to process an agricultural product intended to be sold, labeled, or represented as organic for the purpose of retarding spoilage or otherwise preparing the agricultural product for market. The regulations permit the use of nonagricultural substances and nonorganically produced agricultural products that are included on the national list in or on a processed agricultural product intended to be sold, labeled, or represented as organic. A handler is prohibited from using ionizing radiation for any purpose, an ingredient produced with excluded methods, or a volatile synthetic solvent in or on a processed agricultural product intended to be sold, labeled, or represented as organic.

- Variances. The proposed regulations provide for temporary variances from the organic system plan in order to prevent liquidation of the operation resulting from natural disasters.


NOXIOUS WEEDS. The APHIS has announced plans to issue amendments to the noxious weed regulations. The major change would involve the categorizing of weeds according to geographic, regulatory, and other criteria. 65 Fed. Reg. 14927 (March 20, 2000).

FEDERAL ESTATE AND GIFT TAX

CLAIMS AGAINST THE ESTATE. The decedent had lived with another person who helped care for the decedent’s disabled daughter. Although the decedent and the person lived as husband and wife, they never married. In order to insure that the persons was taken care of after the decedent’s death, the decedent entered into an agreement to make certain provisions in the decedent’s will for the person. The decedent made several payments to the person during life. The IRS characterized the payments as gifts and the court held that the decedent’s heirs failed to demonstrate that the payments were compensation and not gifts. The estate sought to characterize the bequests to the person as a claim against the estate deductible from the gross estate. Estate of Cavett v. Comm’r, T.C. Memo. 2000-91.

CONSERVATION EASEMENTS. The taxpayer owned 320 acres of rural land which were bordered on three sides by a national park. The property was located in a valley with a river running through the property. The property was zoned for rural recreational development and was used as the taxpayer’s residence. The property was not suitable for residential subdivision. The taxpayer granted an easement in perpetuity to a charitable conservation organization. The easement limited the construction and development on the property. The court adopted the comparable approach to valuing the property before and after the easement grant and held that the easement was 32 percent of the value of the property; thus, the taxpayer was allowed a charitable deduction for 32 percent of the taxpayer’s basis in the property. The taxpayer later granted a further easement which decreased, from three to two, the number of residences which could be built on the property. The court held that this restriction was also eligible for a charitable deduction of $290,000. Strasburg v. Comm’r, T.C. Memo. 2000-94.

TRANSFERS WITH RETAINED POWERS. The decedent granted a power of attorney to a nephew who wrote 38 checks for $10,000 to various donees. The power of attorney was a broad general grant of powers and did not specifically grant the power to make gifts. Before the gifts were made, the nephew read the list of names to the decedent who nodded yes for each gift. The court held that the gifts were revocable because they were made without authority; therefore, the gifts were included in the gross estate under I.R.C. § 2038(a)(1). The estate argued that the
decanted needed a $75,000 automobile for the taxpayer benefit because the taxpayer did not demonstrate why the value of the car was income to the taxpayer as a fringe benefit. The court also held that the sale to the taxpayer because the taxpayer failed to demonstrate the payment for the new farm was a constructive dividend. The court held that the payment for the new farm was a constructive dividend to the taxpayer who claimed the car was used to inspect the operations. In re Jett, 2000-1 U.S. Tax Cas. (CCH) ¶ 50,273 (Bankr. W.D. Penn. 2000).

CONSTRUCTIVE RECEIPT. The taxpayer had owned one-half of a corporation but sold the stock to the other shareholder after management disagreements. The other shareholder also wanted the taxpayer to execute a noncompetition agreement but did not have cash to give for the agreement. As consideration for the noncompetition agreement, the corporation transferred equipment to the taxpayer worth $300,000 but subject to loans and liens. The corporation agreed to make payments on the loans until the liens were removed. The taxpayer argued that the full value of the equipment was not included in gross income because (1) the taxpayer was granted only the use of the equipment and (2) it was uncertain whether the corporation would be able to make the payments. The court found that the agreement fully transferred the equipment to the taxpayer, subject only to the loans, and that the corporation had sufficient means to pay and actually did make the payments on the loans; therefore, the taxpayer should have included the value of the equipment in gross income. Enyart v. Comm'r, T.C. Memo. 2000-90.

COURT AWARDS AND SETTLEMENTS. The taxpayer was an employee of a large corporation and was offered the opportunity for early retirement in exchange for cash benefits. The taxpayer agreed to the early retirement and made one of several elections for the timing and amount of the severance payments. The taxpayer signed a general release of liability of the employer for a large number of possible actions against the employer. The release was used for all early retirees who terminated employment under the same program. The taxpayer had not made any tort claims against the employer. The court held that the money received by the taxpayer was included in income because (1) the release was required for all early termination employees, (2) the amount of money paid was dependent upon the taxpayer’s salary and length of employment with the company and not any claim made by the taxpayer, and (3) the payment was in the nature of severance pay and not settlement of a claim. Metelski v. Comm'r, T.C. Memo. 2000-95.

DISASTER PAYMENTS. On February 28, 2000, the president determined that certain areas in Virginia are eligible for assistance under the Act as a result of severe storms on January 25-30, 2000. FEMA-1318-DR. On February 28, 2000, the president determined that certain areas in West Virginia are eligible for assistance under the Act as a result of severe storms on January 25-30, 2000. FEMA-1319-DR. On February 28, 2000, the president determined that certain areas in Kentucky are eligible for assistance under the Act as a result of severe storms and flooding on February 18, 2000. FEMA-1320-DR. Accordingly, a taxpayer who sustained a loss attributable to the disasters may deduct the loss on his or her 1999 federal income tax return.

EDUCATION EXPENSES. The taxpayer took courses at a university which, if completed, would qualify the taxpayer for a new trade or business. The court held that the expenses were not deductible because the courses would qualify the taxpayer for a new trade or business and that it...
was irrelevant whether the taxpayer actually intended to enter into a new trade or business. The opinion is designated as not for publication. Meeks v. Comm’r, 2000-1 U.S. Tax Cas. (CCH) ¶ 50,264 (9th Cir. 2000).

LOAN FEES. The taxpayer corporation obtained a line of credit from a bank. As part of the cost of the loan, the corporation was required to pay a quarterly loan facility fee in arrears. The corporation argued that the fee was charged separately for each quarter the loan was in existence, making the fee a currently deductible expense. The IRS ruled that the fee was charged for the entire loan and was paid in quarterly installments, requiring the fee to be capitalized in the loan basis. FSA Ltr. Rul. 200010014, Nov. 29, 1999.

PASSIVE LOSSES. The IRS has announced the publication of a revised Passive Activity Losses Market Segment Specialization Program Training Guide.

RETURNS. The IRS has announced that it is temporarily waiving the signature requirement for Form SS-4, Application for Employer Identification Number, as authorized by I.R.C. § 6061(b)(1)(A). Notice 2000-19, I.R.B. 2000-__.

S CORPORATIONS—ALM § 7.02[3][c].*

TERMINATION OF ELECTION. The taxpayer was an S corporation with three shareholders. The corporation made distributions in three years and discovered in the third year that the distributions did not match the shareholders’ interests in the corporation. The corporation made equalizing distributions upon learning about the disproportionate distributions. The IRS ruled that the delay in making the equalizing distributions did not cause the loss of the S corporation status. Ltr. Rul. 200010023, Dec. 7, 1999.

SAFE HARBOR INTEREST RATES

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SELF-EMPLOYMENT INCOME. The taxpayer was employed as a salesman and also owned a 50.95 percent general partnership interest in a medical supply company. Although the taxpayer initially had worked full time on the partnership business, during the tax year involved, the taxpayer did not actively participate in the operation of the partnership business. The taxpayer argued that the taxpayer’s share of partnership income was not subject to self-employment tax because the taxpayer did not actively participate in the partnership business. The court held that the taxpayer’s share of partnership income was self-employment income because the taxpayer owned a general partnership interest. Norwood v. Comm’r, T.C. Memo. 2000-84.

SMALL ISSUE BONDS. A corporation operated a vegetable processing facility in which the vegetables were cleaned, cooked, frozen and packaged. The packaged vegetables are sold to private label retail companies. Tax-exempt bonds were issued with the proceeds used to purchase additional equipment and construct an additional building for use in the processing of vegetables. Under I.R.C. § 144, the interest from qualified small issue bonds is excluded from gross income if the bond proceeds are used for the acquisition or construction of property used for manufacturing. I.R.C. § 144(a)(12)(C) states that the term “manufacturing facility” means any facility which is used in the manufacturing or production of tangible personal property (including the processing resulting in a change in the condition of such property). The IRS ruled that the corporation’s vegetable processing facility met the definition of manufacturing for purposes of I.R.C. § 144. FSA Ltr. Rul. 200010012, Nov. 29, 1999.

SECURED TRANSACTIONS

FEDERAL PROGRAM PAYMENTS. The debtor had borrowed farm operating funds from a lender and granted a security interest in all government disaster payments. The debtor suffered crop losses from drought in 1998 and filed for bankruptcy in February 1999. On October 21, 1998, Congress passed the Crop Loss Disaster Assistance Program but the regulations governing applications were not issued until April 1999. The debtor filed an application and received a disaster payment. The lender argued that its security interest attached to the funds effective with passage of the legislation creating the program but the bankruptcy trustee argued that the debtor did not become entitled to the funds until the regulations were issued. The court held that all of the requirements for entitlement to the funds, the crop loss and the debtor’s ownership of the land and crop, occurred prior to the bankruptcy filing; therefore, the security interest attached to the debtor’s interest in the funds upon passage of the legislation. See also In re Lemos, 243 B.R. 96 (Bankr. D. Idaho 1999) under Bankruptcy, supra. In re Lesmeister, 242 B.R. 920 (Bankr. D. N.D. 1999).

CITATION UPDATES

Bell v. Comm’r, 200 F.3d 545 (8th Cir. 2000) (bad debt deduction) see p. 13 supra.

Witzel v. Comm’r, 200 F.3d 496 (7th Cir. 2000), aff’g in part, T.C. Memo. 1999-64 (discharge of indebtedness) p. 21 supra.
The Agricultural Law Press announces two new annual seminars

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SEMINAR IN NEW MEXICO
AGRICULTURAL TAX AND LAW SEMINARS
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August 16-19, 2000
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Here are some of the major topics to be covered:

• Taxation of debt, taxation of bankruptcy, the latest on SE tax of rental of land to a family-owned entity; income averaging; earned income credit; commodity futures transactions; paying wages in kind.
• Federal estate tax, including 15-year installment payment of federal estate tax, co-ownership discounts, alternate valuation date, special use valuation, family-owned business deduction (FOBD), handling life insurance, marital deduction planning, disclaimers, planning to minimize tax over deaths of both spouses, and generation skipping transfer tax.
• Gifts and federal gift tax, including problems with future interests, handling estate freezes, and “hidden” gifts.
• Income tax aspects of property transfer, including income in respect of decedent, installment sales, private annuities, self-canceling installment notes, and part gift/part sale transactions.
• Organizing the farm business—one entity or two, corporations, general and limited partnerships and limited liability companies.
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