Utah Agriculture Outlook Stakeholder Webinar

11 am to 1 pm

USU Extension Economics
Agenda

• Tracking the 2021 Commodity Boom: Key Drivers and Implications for Utah Producers
  • Ryan Larsen, Extension Risk and Farm Management Specialist

• Livestock Market Outlook
  • Dillon Feuz, Extension Livestock Marketing Specialist

• Drought Indicator and Management Resources for Agriculture
  • Anastasia Thayer, Extension Water Economist

• Tax Issues for Weather Related Livestock Sales
  • Ruby Ward, Extension Entrepreneurship Specialist

• Using Social Media Polls for DTC Market Research
  • Kynda Curtis, Extension Agriculture and Food Marketing Specialist
Updated Program Website

- [https://extension.usu.edu/apec/index](https://extension.usu.edu/apec/index)
Program Evaluation Survey

• https://usu.co1.qualtrics.com/jfe/form/SV_5dQhN3zaBUf0D0W
Thank you
Tracking the 2021 Commodity Boom

Ryan Larsen Farm Management Extension Specialist
May 13, 2021
Looking Forward

Drought

Trade Issues

Farm
Finances/Policy

General
Economy/Consumer
Preferences

This Photo by Unknow author is licensed under CC-BY-ND
CENTRAL ILLINOIS SOYBEAN MEAL (48%) PRICES

Weekly

$ Per Ton

| Data Source: USDA-AMS |
|-----------------------|-------------------|
| Livestock Marketing Information Center |
CENTRAL ILLINOIS SOYBEAN PRICES
Weekly

$ Per Bu

Data Source: USDA-AMS
Livestock Marketing Information Center
OMAHA CORN PRICES
Weekly

$ Per Bu.

Data Source: USDA-AMS
Livestock Marketing Information Center
Corn Prices
IOWA ETHANOL PRICE
Weekly

$ Per Gallon

Data Source: USDA-AMS
Livestock Marketing Information Center
DISTILLERS GRAIN PRICES
Nebraska, Weekly

Data Source: USDA-AMS
Livestock Marketing Information Center
China Corn Imports

Exports vs. Commitments
# WASDE Report

<table>
<thead>
<tr>
<th>Year</th>
<th>17/18</th>
<th>18/19</th>
<th>19/20</th>
<th>20/21 USDA</th>
<th>20/21 Low Yield</th>
<th>20/21 High Yield</th>
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<tr>
<td>Planted Acres (millions)</td>
<td>90</td>
<td>89</td>
<td>90</td>
<td>91</td>
<td>91</td>
<td>91</td>
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<tr>
<td>Harvested Acres (Millions)</td>
<td>83</td>
<td>81</td>
<td>81</td>
<td>83</td>
<td>83</td>
<td>83</td>
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<tr>
<td>Yield (bushels per acre)</td>
<td>177</td>
<td>176</td>
<td>168</td>
<td>172</td>
<td>123</td>
<td>177</td>
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<tr>
<td>Harvested/Planted Acres</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td></td>
<td></td>
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<tr>
<td>Production (millions)</td>
<td>14,609</td>
<td>14,340</td>
<td>13,620</td>
<td>14,182</td>
<td>10,157</td>
<td>14,570</td>
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<tr>
<td>Stocks (millions)</td>
<td>2,293</td>
<td>2,140</td>
<td>2,221</td>
<td>1,919</td>
<td>1,919</td>
<td>1,919</td>
</tr>
<tr>
<td>Imports (million)</td>
<td>36</td>
<td>28</td>
<td>42</td>
<td>25</td>
<td>25</td>
<td>25</td>
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<tr>
<td>TOTAL SUPPLY (millions)</td>
<td>16,939</td>
<td>16,509</td>
<td>15,883</td>
<td>16,127</td>
<td>12,101</td>
<td>16,514</td>
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<tr>
<td>Acres devoted to ethanol production (millions)</td>
<td>32</td>
<td>30</td>
<td>29</td>
<td>29</td>
<td>29</td>
<td>29</td>
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<tr>
<td>Food, Alcohol &amp; Industrial</td>
<td>7,057</td>
<td>6,793</td>
<td>6,287</td>
<td>6,400</td>
<td>6,400</td>
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<tr>
<td>ethanol for fuel</td>
<td>5,605</td>
<td>5,378</td>
<td>4,857</td>
<td>4,975</td>
<td>4,975</td>
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<tr>
<td>Growth in corn used for ethanol</td>
<td>0</td>
<td>(0)</td>
<td>(0)</td>
<td>0</td>
<td>0</td>
<td>0</td>
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<tr>
<td>Feed &amp; Residual</td>
<td>5,304</td>
<td>5,429</td>
<td>5,897</td>
<td>5,700</td>
<td>5,700</td>
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<tr>
<td>ALL DOM. USE</td>
<td>12,361</td>
<td>12,222</td>
<td>12,185</td>
<td>12,100</td>
<td>12,100</td>
<td>12,100</td>
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<td>EXPORTS</td>
<td>2,438</td>
<td>2,066</td>
<td>1,778</td>
<td>2,675</td>
<td>2,675</td>
<td>2,675</td>
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<tr>
<td>TOTAL USAGE</td>
<td>14,798</td>
<td>14,288</td>
<td>13,963</td>
<td>14,775</td>
<td>14,775</td>
<td>14,775</td>
</tr>
<tr>
<td>ENDING STOCKS</td>
<td>2,140</td>
<td>2,221</td>
<td>1,919</td>
<td>1,352</td>
<td>(2,674)</td>
<td>1,739</td>
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<tr>
<td>STOCK/USE (%)</td>
<td>14%</td>
<td>16%</td>
<td>14%</td>
<td>9%</td>
<td>-18%</td>
<td>12%</td>
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</table>

*Note: The numbers indicate millions.*
<p>| | | |</p>
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<thead>
<tr>
<th></th>
<th></th>
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<tbody>
<tr>
<td><strong>7 Western States Hay Stocks Annual Change</strong></td>
<td>-0.122 x <strong>-135</strong></td>
<td><strong>=30.50</strong></td>
</tr>
<tr>
<td><strong>National Corn Price Annual Change</strong></td>
<td>11.33 x <strong>$3.00</strong></td>
<td><strong>=33.99</strong></td>
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<tr>
<td><strong>Alfalfa Hay Exports Annual Change</strong></td>
<td>0.0157 x <strong>400</strong></td>
<td><strong>=6.28</strong></td>
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<tr>
<td><strong>National Milk Price Annual Change</strong></td>
<td>1.46 x <strong>0.44</strong></td>
<td><strong>=0.64</strong></td>
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<tr>
<td><strong>National Feeder Cattle Price Annual Change</strong></td>
<td>0.41 x <strong>0.0</strong></td>
<td><strong>=0</strong></td>
</tr>
</tbody>
</table>

**Estimated Utah Hay Price** = $165 (2020 average price) + 71.41 = $236
Utah Hay Prices
ALFALFA HAY EXPORTS
Annual

Thous. Metric Tons

Data Source: USDA-FAS, Compiled & Analysis by LMIC
Livestock Marketing Information Center
# Corn Prices Impact on Utah Producers

Alfalfa Hay Price Per Ton

<table>
<thead>
<tr>
<th>DM%</th>
<th>$100</th>
<th>$115</th>
<th>$130</th>
<th>$145</th>
<th>$160</th>
<th>$175</th>
<th>$190</th>
<th>$205</th>
<th>$220</th>
<th>$235</th>
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<td>25</td>
<td>25.25</td>
<td>29.04</td>
<td>32.83</td>
<td>36.62</td>
<td>40.40</td>
<td>44.19</td>
<td>47.98</td>
<td>51.77</td>
<td>55.56</td>
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<td>27</td>
<td>27.27</td>
<td>31.36</td>
<td>35.45</td>
<td>39.55</td>
<td>43.64</td>
<td>47.73</td>
<td>51.82</td>
<td>55.91</td>
<td>60.00</td>
<td>64.09</td>
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<tr>
<td>29</td>
<td>29.29</td>
<td>33.69</td>
<td>38.08</td>
<td>42.47</td>
<td>46.87</td>
<td>51.26</td>
<td>55.66</td>
<td>60.05</td>
<td>64.44</td>
<td>68.84</td>
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<tr>
<td>31</td>
<td>31.31</td>
<td>36.01</td>
<td>40.71</td>
<td>45.40</td>
<td>50.10</td>
<td>54.80</td>
<td>59.49</td>
<td>64.19</td>
<td>68.89</td>
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<td>43.33</td>
<td>48.33</td>
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<td>58.33</td>
<td>63.33</td>
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<td>56.57</td>
<td>61.87</td>
<td>67.17</td>
<td>72.47</td>
<td>77.78</td>
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<td>37.37</td>
<td>42.98</td>
<td>48.59</td>
<td>54.19</td>
<td>59.80</td>
<td>65.40</td>
<td>71.01</td>
<td>76.62</td>
<td>82.22</td>
<td>87.83</td>
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<td>39</td>
<td>39.39</td>
<td>45.30</td>
<td>51.21</td>
<td>57.12</td>
<td>63.03</td>
<td>68.94</td>
<td>74.85</td>
<td>80.76</td>
<td>86.67</td>
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<tr>
<td>41</td>
<td>41.41</td>
<td>47.63</td>
<td>53.84</td>
<td>60.05</td>
<td>66.26</td>
<td>72.47</td>
<td>78.69</td>
<td>84.90</td>
<td>91.11</td>
<td>97.32</td>
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# Corn Prices Impact on Utah Producers

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<th>DM%</th>
<th>$4.00</th>
<th>$4.50</th>
<th>$5.00</th>
<th>$5.50</th>
<th>$6.00</th>
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<th>$7.00</th>
<th>$7.50</th>
<th>$8.00</th>
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<tbody>
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<td>25</td>
<td>27.27</td>
<td>30.68</td>
<td>34.09</td>
<td>37.50</td>
<td>38.64</td>
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<td>42.42</td>
<td>45.45</td>
<td>48.48</td>
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<td>40.50</td>
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<td>42.55</td>
<td>45.82</td>
<td>49.09</td>
<td>52.36</td>
<td>55.64</td>
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<td>29</td>
<td>31.64</td>
<td>35.59</td>
<td>39.55</td>
<td>43.50</td>
<td>44.82</td>
<td>45.70</td>
<td>49.21</td>
<td>52.73</td>
<td>56.24</td>
<td>59.76</td>
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<tr>
<td>31</td>
<td>33.82</td>
<td>38.05</td>
<td>42.27</td>
<td>46.50</td>
<td>47.91</td>
<td>48.85</td>
<td>52.61</td>
<td>56.36</td>
<td>60.12</td>
<td>63.88</td>
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<tr>
<td>33</td>
<td>36.00</td>
<td>40.50</td>
<td>45.00</td>
<td>49.50</td>
<td>51.00</td>
<td>52.00</td>
<td>56.00</td>
<td>60.00</td>
<td>64.00</td>
<td>68.00</td>
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<tr>
<td>35</td>
<td>38.18</td>
<td>42.95</td>
<td>47.73</td>
<td>52.50</td>
<td>54.09</td>
<td>55.15</td>
<td>59.39</td>
<td>63.64</td>
<td>67.88</td>
<td>72.12</td>
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<td>37</td>
<td>40.36</td>
<td>45.41</td>
<td>50.45</td>
<td>55.50</td>
<td>57.18</td>
<td>58.30</td>
<td>62.79</td>
<td>67.27</td>
<td>71.76</td>
<td>76.24</td>
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<tr>
<td>39</td>
<td>42.55</td>
<td>47.86</td>
<td>53.18</td>
<td>58.50</td>
<td>60.27</td>
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<td>70.91</td>
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<td>41</td>
<td>44.73</td>
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<td>55.91</td>
<td>61.50</td>
<td>63.36</td>
<td>64.61</td>
<td>69.58</td>
<td>74.55</td>
<td>79.52</td>
<td>84.48</td>
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</table>
Corn Price Silage Tool

- https://farmanalysis.usu.edu/silage/standing/
DODGE CITY WINTER WHEAT PRICES
Weekly

$ Per Bu.

Data Source: USDA-AMS
Livestock Marketing Information Center
Wheat Prices
Key Takeaways

• Risk Management
  • Producers should consider locking in prices
    • Markets are highly volatile

• Understand the impact of corn prices on other feed prices
  • Drive alfalfa prices
  • Drive silage prices

• Watch drought and trade issues. Potential to swing prices
Questions
Ryan.larsen@usu.edu
Utah Cattle Market Outlook 2021

Dillon M Feuz
Utah State University Extension

May 2021
JANUARY 1 TOTAL CATTLE INVENTORY
U.S., Annual

2021 = 93.6 Million Head
-0.2 Percent

Data Source: USDA-NASS
Livestock Marketing Information Center
COMMERCIAL BEEF PRODUCTION
US, Quarterly

Bil. Pounds

JAN-MAR
APR-JUN
JUL-SEP
OCT-DEC

Avg. 2015/19
2020
2021
2022

Data Source: USDA-NASS, Forecasts by LMIC
Livestock Marketing Information Center

01/02/20
Supply Summary

• Cow-calf numbers down slightly in 2021
• Smaller Calf Crop expected for 2021
• Fed Cattle Prices should be stronger in the 3rd and 4th Quarter
• That would support higher fall Calf Prices
RETAIL BEEF PRICE
All Fresh, Monthly

Cents Per Pound

Data Source: Bureau of Labor Statistics & USDA-ERS
Livestock Marketing Information Center
RETAIL ALL FRESH BEEF DEMAND INDEX
Annual, Using CPI 2000=100

Data Source: Bureau of Labor Statistics, USDA-ERS, Compiled & Analysis by LMIC
Livestock Marketing Information Center
TOTAL RED MEAT & POULTRY PRODUCTION
US, Quarterly

Bil. Pounds

Data Source: USDA-NASS, Forecasts by LMIC
Livestock Marketing Information Center
Beef Demand Summary

- Retail Demand Positive for 2020
- Competition From Other Meats in 2021
- Retail Demand Probably Neutral for 2021

- End of COVID could help demand for Fed Cattle and Calves in 2021
Beef Trade 2020

- 4 Major Markets (Japan, S. Korea, Mexico & Canada) should remain strong in 2021

- China
  - Considerable growth in 2020
  - Will it continue?

- New Administration
  - China ??
US BEEF EXPORTS TO MAJOR MARKETS
Carcass Weight, Monthly

Data Source: USDA-ERS & USDA-FAS
Livestock Marketing Information Center
US BEEF EXPORTS TO CHINA (MAINLAND)
Carcass Weight, Monthly

Mil. Pounds

Data Source: USDA-ERS & USDA-FAS
Livestock Marketing Information Center

12/06/19
US BEEF EXPORTS TO CHINA (MAINLAND)
Carcass Weight, Monthly

Mil. Pounds

Data Source: USDA-ERS & USDA-FAS
Livestock Marketing Information Center
12/06/19
Trade Summary

• Beef Exports down slightly in 2020 COVID 19
• Were back up in 1st quarter of 2021
• China
  – China is becoming a major market

• Trade Should have a Positive Impact on Fed Cattle and Calf Prices in 2021
Relationship of Feeder Cattle Prices to Fed Cattle and Corn Prices

• A $1/cwt increase in fed cattle prices leads to an approximate $1.50/cwt increase in feeder cattle prices

• A $0.10/bu. Increase in corn prices leads to an approximate $0.75/cwt decrease in feeder cattle prices

• Since Jan 1 Fed Cattle prices have increase $10/cwt and Corn has increased $1.60/bu

• Feeder Cattle Prices? 10 x $1.50 = $15 and 16 x $0.75 = -$12  Maybe plus $3.00/cwt
Utah Fall Calf Prices
550 lb Steer

- Fall 2020 Predictions
  - $155 – 175
- Oct-Nov 2020 Salina Market $141 $130-150
- Predictions for fall 2021
  - $150-165
- Keep a close watch on Corn and Fed Cattle prices
ESTIMATED AVERAGE COW CALF RETURNS

Returns Over Cash Cost (Includes Pasture Rent), Annual

Data Source: USDA & LMIC, Compiled by LMIC
Livestock Marketing Information Center
Questions
Utah Agriculture Outlook Stakeholder Webinar

Drought Indicator and Management Resources for Agriculture
May 13, 2021

Anastasia Thayer
U.S. Drought Monitor

May 11, 2021
(Released Thursday, May. 13, 2021)
Valid 8 a.m. EDT

Drought Conditions (Percent Area)

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<tr>
<th></th>
<th>None</th>
<th>D0-D4</th>
<th>D1-D4</th>
<th>D2-D4</th>
<th>D3-D4</th>
<th>D4</th>
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<tbody>
<tr>
<td><strong>Current</strong></td>
<td>0.00</td>
<td>100.00</td>
<td>100.00</td>
<td>98.19</td>
<td>90.20</td>
<td>58.83</td>
</tr>
<tr>
<td><strong>Last Week</strong></td>
<td>0.00</td>
<td>100.00</td>
<td>100.00</td>
<td>98.19</td>
<td>90.20</td>
<td>57.21</td>
</tr>
<tr>
<td><strong>3 Months Ago</strong></td>
<td>0.00</td>
<td>100.00</td>
<td>100.00</td>
<td>98.13</td>
<td>90.24</td>
<td>69.68</td>
</tr>
<tr>
<td><strong>Start of Calendar Year</strong></td>
<td>0.00</td>
<td>100.00</td>
<td>100.00</td>
<td>97.38</td>
<td>90.11</td>
<td>68.56</td>
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<tr>
<td><strong>Start of Water Year</strong></td>
<td>0.00</td>
<td>100.00</td>
<td>99.62</td>
<td>93.20</td>
<td>87.26</td>
<td>12.80</td>
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<tr>
<td><strong>One Year Ago</strong></td>
<td>9.45</td>
<td>90.55</td>
<td>60.66</td>
<td>4.61</td>
<td>0.00</td>
<td>0.00</td>
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</table>

**Intensity:**
- None
- D0 Abnormally Dry
- D2 Severe Drought
- D1 Moderate Drought
- D3 Extreme Drought
- D4 Exceptional Drought
U.S. Drought Monitor: Utah
Western Water Supply Forecast
La Niña Forecast

La Niña is present.
A transition from La Niña to ENSO-Neutral is likely in the next month or so, with an 80% chance of ENSO-neutral during May-July 2021.*
Resources

1) US Drought Monitor
2) NOAA Weather Forecasts
3) USDA Ag in Drought
4) USU Drought Page
5) Precip & Prices Podcast
6) Water/Climate Supply Outlook Report
1) US Drought Monitor

https://www.drought.gov/states/utah
1) US Drought Monitor

https://www.drought.gov/states/utah
1) US Drought Monitor

https://www.drought.gov/states/utah
2) NOAA Weather Forecasts

https://www.cpc.ncep.noaa.gov/products/predictions/90day/
May One-Month Outlook

One-Month Outlook Temperature Probability
0.0 Month Lead
Valid May 2021
Made 30 Apr 2021

One-Month Outlook Precipitation Probability
0.0 Month Lead
Valid May 2021
Made 30 Apr 2021
3) USDA Ag in Drought Report

**Weather and Drought Monitor**

Meteorologists in USDA's World Agricultural Outlook Board (WAOB) provide weather assessments and real-time yield intelligence for global crop conditions in support of the monthly World Agricultural Supply and Demands Estimates (WASDE) report. WAOB's meteorologists are also responsible for the publication of the Weekly Weather and Crop Bulletin and are contributing authors to the U.S. Drought Monitor.

Cattle Areas in Drought

Reflects May 4, 2021
U.S. Drought Monitor data

Approximately 36% of the cattle inventory is within an area experiencing drought.

Major and minor agricultural areas are delineated using NASS 2017 Census of Agriculture data. Drought areas are identified using the U.S. Drought Monitor product.
Utah Drought

Utah is in a drought. Look here for some ways you can do your part to conserve water.

USU Extension Resources You Can Use Today

With 100% in the moderate drought category and 90% of the state experiencing extreme drought, Gov. Spencer J. Cox issued an Executive Order declaring a state of emergency due to drought conditions.
5) Precip and Prices Report
• Released on the first Friday of each month
• Short video (less than 10 minutes)
• 2-page write up
• Content changes monthly
• Timely and concise
• Available through social media pages and USU APEC Extension website

Weather and Drought Report

Current Conditions
While drought persists across Utah, it is important to note slight improvement of drought conditions of the state when compared to conditions in late December. From the Utah Climate Water Report released April 1, March precipitation at mountain snow sites was only 73% of normal. As mentioned in previous reports, dry soil moisture conditions are present both at mountain and valley monitoring sites. Dry soil moisture conditions as well as low precipitation across the state is expected to lead to water supply shortages for the growing season. Currently, the only basins in the state with above average water availability index values are Bear and Price.

Future Conditions
The seasonal (3-month) drought outlook suggests that drought will persist across the southwest this through the end of June 2021. This is expected to impact spring and summer growing conditions
Precip & Prices Podcast Series

USU Extension Specialists Drs. Ryan Larsen and Anastasia Thayer discuss, in this monthly series, current Utah weather and drought conditions and provide an update on agricultural markets relevant to Utah’s agricultural producers. The podcasts are short, 6-8 minutes, and provide timely information producers can use to manage risk in their operation. The podcast is accompanied by a two-page fact sheet.

2021

APR 2
Read the Report
Watch the Podcast

MAR 5
Read the Report
Watch the Podcast
6) Water and Climate Reports from NCRS

1) Climate and Water Report: the purpose of the Climate and Water Report is to provide a snapshot of current and immediate past climatic conditions and other information useful to agricultural and water user interests in Utah.

2) Water Supply Outlook Report: purpose is to report snowpack and estimate future streamflows and report other relevant on-the-ground conditions (winter season only)
Climate and Water Report

- Utilizes monitors in valleys and mountains
- Soil moisture, precipitation, temperature, water availability, etc.
Water Supply Outlook Report

- Monthly
- Reports on snowpack, soil moisture, reservoir storage, precipitation
- Estimates future runoff and streamflow
- State and basin-level estimates
6) Water and Climate Reports from NCRS

How to sign up?

Email: Jordan Clayton at jordan.clayton@usda.gov

Resources

1) https://www.drought.gov/states/utah
2) https://www.cpc.ncep.noaa.gov/products/predictions/90day/
3) https://www.usda.gov/oce/weather-drought-monitor
4) https://extension.usu.edu/drought/
5) https://extension.usu.edu/apec/precip-prices-podcast
Questions?

Contact: Anastasia Thayer Hassett
anastasia.thayer@usu.edu
Weather-Related (Drought) Sales of Livestock: Income Tax Management Issues

April 2021

J C. Hobbs - Associate Extension Specialist
OSU Department of Agricultural Economics
Oklahoma State University
Weather-Related Sales of Livestock

• Applies to sales of livestock due to weather-related conditions: flood, drought, or other weather-related condition causing a shortage of water and/or feed.

• Allows taxpayer to postpone recognition of income from the sale proceeds (avoids bunching of income).
Sec. of Ag Designations Map

Secretarial Disaster Designations - CY 2021
Primary and Contiguous Counties Designated for Crop Disaster Losses

All Secretarial Designations as of April 12, 2021
Total All Crop Approval Designations

Primary Counties: 406
Contiguous Counties: 165
Drought Monitor Map

Map released: Thurs. April 8, 2021
Data valid: April 6, 2021 at 8 a.m. EDT

Intensity:
- None
- D0 (Abnormally Dry)
- D1 (Moderate Drought)
- D2 (Severe Drought)
- D3 (Extreme Drought)
- D4 (Exceptional Drought)
- No Data

Author(s):
Deborah Bathke, National Drought Mitigation Center
Two Different Tax Treatments

• Both tax treatments or rules apply to sales in excess of normal or usual business practice due to weather-related conditions.

• The first applies to sales of any livestock (IRC § 451(g) Deferral of Income for 1 Year).

• The second applies to sales of livestock (other than poultry) held for draft, breeding, or dairy purposes (IRC § 1033(e) Involuntary Conversion).
1. Deferral of Income for 1 Year
IRC §451(g)

- Applies to any livestock (including draft, breeding, or dairy animals) sold due to weather-related conditions.
- Sale proceeds (income) may be deferred to the next taxable year, however certain requirements must be met.
1. Deferral of Income for 1 Year
IRC §451(g)

Requirements that **must be** met by the taxpayer:

1. Principal business must be farming.
3. Must show that the animals would normally have been sold in the following year.
4. The weather related condition that caused the area to be declared eligible for Federal assistance must have caused the sale.
2. Involuntary Conversion
IRC §1033(e)

• Must plan to purchase replacement draft, breeding, or dairy livestock within a 2 year period. (example, for sales in 2021, must replace the livestock by end of 2023). This rule does not apply to poultry or calves.

• Replacement period can be extended from 2 years to 4 years if the area has been declared eligible for disaster assistance by the Federal government or by one of its agencies.
Sec. of Ag Designations Map

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2. Involuntary Conversion
IRC §1033(e)

- Many areas of SW US now have 4 years to replace the livestock if this provision is elected on a properly filed tax return. Must replace livestock by the end of 2025 for breeding livestock sold in 2021.

- Secretary of the Treasury can further extend the replacement period if the drought persists for more than 3 years.
To Learn More

• Webinar recording from May 12th will be available
Resources

• Articles on RuralTax.org
  • Disaster Losses and Related Tax Rules
  • Weather-Related Sales of Livestock
• Ruby Ward, Utah State University
  • Ruby.ward@usu.edu

• JC Hobbs, Oklahoma State University
  • Jc.hobbs@okstate.edu
Using Social Media Polls for Direct-to-Consumer Market Research

Dr. Kynda Curtis
Professor & Extension Economist
Overview

• When social media polls should be used, and not used
• Poll platforms
• Poll question formats
• Poll suggestions
When social media polls should be used

• Gather data and feedback from customers/potential customers to update business practices and products
  • Seek timely/quick feedback or input
    • SM polls provide instant results
  • Understand what products or services your customers want/need
    • Specific product attributes desired
  • Small market research budget
    • SM polls are essentially free
When social media polls shouldn’t be used

- Collecting detailed customer feedback over long time periods
- Customers or target audience don’t use social media
- Collecting unique insights
  - Social media supports “herd mentality”
- Lots of data is required for each respondent
  - Social media polls support only 1 or 2 questions
  - Online surveys suggested
Social Media Poll Platforms

• The top four social media platforms for market research polls....
  • Facebook, Twitter, Instagram and LinkedIn

• Each platform differs in its user types
  • Understanding target audience demographics such as age, gender, occupation, and location will help to determine which platform to use
  • If using multiple platforms, major changes to the poll may need to be made
  • Instagram is very popular with younger Gen Z and Millennials
  • Facebook has an older, Gen X and Baby Boomer following
  • Twitter is primarily used by professionals for work-based posts/communication
Instagram Polls

- Instagram polls use interactive stickers with two options
- Quickly gather feedback
- Aesthetically pleasing
- Enlist audience to help guide a decision
Twitter Polls

Twitter has easy to create interactive polls with four options

Extremely easy to take

Light on text & eye catching

Provide results instantaneously
#myspiritanimalwould be...

Red 32.1%
Yellow 19.9%
Green 22.4%
Other 25.6%

246 votes · Final results
7:39 AM · Feb 13, 2018

Let's talk coffee! ☕️ Which at-home brewing method are you interested in learning about?

Coffee Press 72.8%
Chemex 27.2%

4,963 votes · Final results
5:04 AM · Mar 20, 2018
Facebook Polls

- Facebook offers three response fields/options
- Images & gifs can be used
- Polls are most engaging FB posts, highly effective marketing
- Relevant to audience & stands out
- Paying to boost the post can extend poll reach & responses
Additional Data

• Regardless of the social media platform used, depending on user preferences and security, the following respondent data can be obtained:
  • Age
  • Gender
  • Education level
  • Children in household
  • Location
  • Marital status
  • Hobbies/interests
  • Political leanings
Poll Question Formats

• Formulating well-worded poll questions is important to gathering usable data.

• The best type of questions to ask for general information or customer feedback are:
  • Multiple choice (yes/no)
  • Rating questions (on a scale of 1 to 5,...)

• If asking for customer opinions on new products or products with different characteristics, use visual polls where the audience chooses between two or three options, often provided in picture format.
Poll Question Formats

• Polls can be single or multi-question and length may depend on the social media platform used

• Shorter polls are more likely to be completed
  • Consider splitting up a long poll into multiple shorter polls
  • If the audience knows that the poll isn’t long, they are more likely to start and finish it

• Polls are also more likely to be finished if they are continuous-scroll style rather than page-to-page

• Polls should be grammatically correct

• Questions should be easy to read and understand
  • Clear is more important than lots of details
• How did you hear about us?
• What made you choose our business or product/service?
• What features do you like most about our product or service?
• Is our product or service easy, fast, convenient to use?
• What do you wish our product or service did that it does not today?
• Are you aware that we offer ________?
• Were our personnel courteous and helpful?
• Did we answer all your questions or solve your problem?
• Can we help you get started using our product or service?
• Were you satisfied with our promptness and speed?
• Would you be willing to tell friends, family or colleagues about us?
• How would you rate your experience with us?
• Would you buy from us again?
• Why have you decided to leave/not renew?
Suggestions

• Social media polls will not be effective if there is not enough participation
• Some tips to encourage poll responses include:...
  • Provide an incentive such as entrance into a drawing or a unique benefit or gift
  • Show poll results so that the audience knows that the information will be used
  • Keep social media page content engaging and meaningful to viewers so they are more willing to take the poll
Poll ideas for produce growers....

• What type of arugula do you prefer?
  • Spicy or non-spicy

• What is your preferred day for CSA box pick up?
  • Monday, Tuesday, ..... etc.

• If we offered egg or meat shares with your CSA subscription, which would you purchase?
  • Picture of each

• Which of the following four farmers’ markets do you attend most?
  • Market 1, .....etc.

• Would you be willing to purchase our products online?
  • Yes or No
Social Media Poll Resources

• Skyword
  • https://www.skyword.com/contentstandard/the-marketing-magic-of-social-media-polls/

• Social Media Examiner
  • https://www.socialmediaexaminer.com/how-to-use-instagram-stories-for-market-research-5-ideas-for-marketers/

• CXL Optimization Agency
  • https://cxl.com/blog/social-media-market-research/

• Small Business Trends
  • https://smallbiztrends.com/2020/06/market-research-questions.html

• TopRank Marketing
  • https://www.toprankblog.com/2018/07/power-social-media-polls/

• Zapier best poll apps
  • https://zapier.com/blog/best-poll-apps/
Marketing In Motion Blog...

- [https://extension.usu.edu/apec/blog/](https://extension.usu.edu/apec/blog/)
Thank you