

Agriculture and Food Business Management – Q&A

How effective are waivers for personal responsibility for occasional in-person farm events?

Waivers are a great way to help mitigate risk and hopefully deter claims. Having waivers is a great practice to have. However, the best way to protect yourself is to have a waiver and insurance coverage. The reason for that is because waivers do a great job of transferring risk but it does not guarantee complete legal protection.

Are most grants taxable? Have any of you shifted quarter tax payments to match your seasons?

Yes most grants are taxable unless there is a law in place specifically exempting them from tax. There is a short article and webinar on this topic on Ruraltax.org. This is a website for farm tax information. It has a button to download or watch the webinar at the top.

<https://extension.usu.edu/ruraltax/tax-topics/grants>

Usually the money received from a grant is to purchase something that can be deductible. So if the grant proceeds and related expenses occur in the same year, there are tax management methods. For example, a grant to purchase equipment would count as revenue, but there would be a deduction for the depreciation of the equipment. Depending on the depreciation methods used some or all of it would be deducted in the first year.