

The OSU Extension FARM OFFICE IS LIVE

The October 7th session will include updates on the second round of the Coronavirus Food Assistance Program (CFAP 2), 2020 crop enterprise budgets, farm custom rates, COVID immunity legislation, and other emerging legal and economic issues.

OSU Extension's Farm Office Team

Ben Brown

Peggy Hall

David Marrison

Dianne Shoemaker

Julie Strawser

Barry Ward

Join us and share your questions, concerns, and topics of interest. Each office hour will include a short update and lead into a question and answer time on additional topics of interest.

Wednesday, October 7, 2020

8:00-9:30 am EST

[Go.osu.edu/farmofficelive-oct7](https://farmoffice.osu.edu)

Your farm's ag law and farm management resource center: <https://farmoffice.osu.edu>

CFAES

Farm Office Team



Coronavirus Food Assistance Program 1



CFAP 1.0 DASHBOARD | Program Payments By Category and Commodity

Filter by State

OHIO

Filter by Category

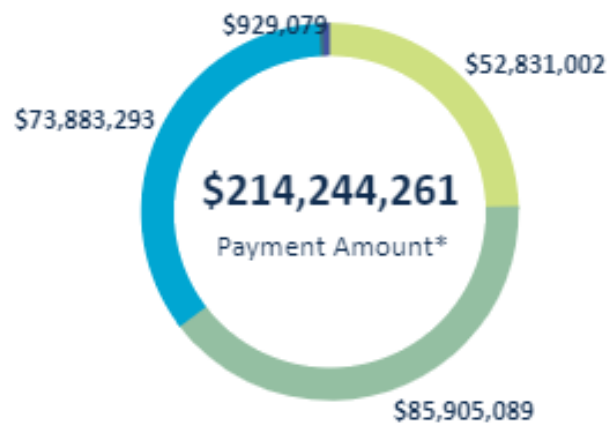
All

Data as of 10/4/2020 11:59 PM CST

18,948

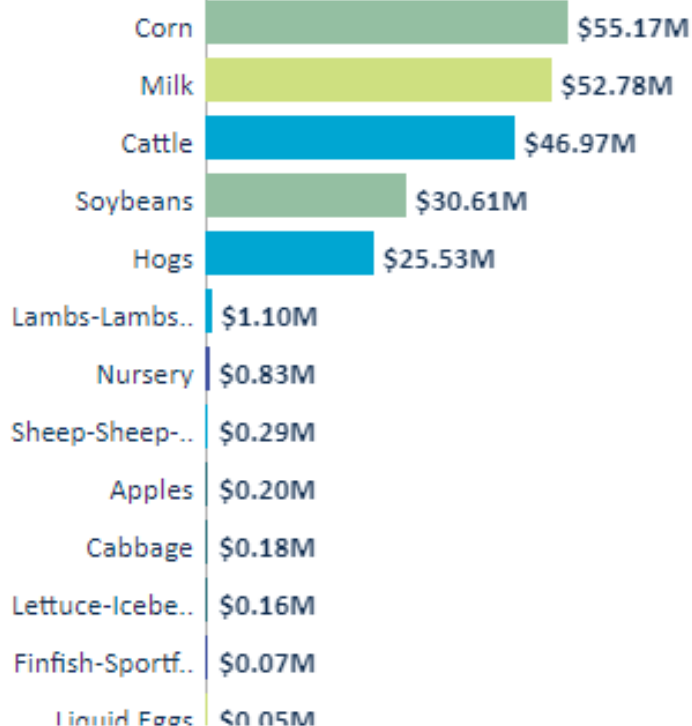
Approved Applications

PAYMENTS BY CATEGORY | Hover for details.

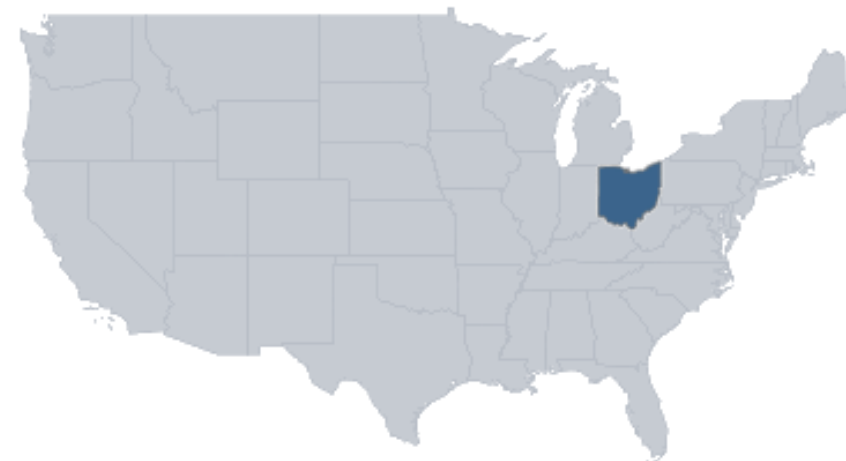


Dairy
Non-Specialty Crops
Livestock
Specialty Crops
Aqua Nursery Flora

PAYMENTS BY COMMODITY | Hover for details.



PAYMENTS & APPROVED APPLICATIONS BY STATE | Hover for details.



© Mapbox © OSM

Payments

PAYMENTS BY CATEGORY AND STATE | Hover over table headers and click the sorting icon to sort.

	Dairy	Non-Specialty Crops	Livestock	Specialty Crops	Aqua Nursery Flora	Grand Total
OHIO	\$52.831M	\$85.905M	\$73.883M	\$0.696M	\$0.929M	\$214.244M

Coronavirus Food Assistance Program 2

CFAP 2 – Coronavirus Food Assistance Program 2



FARM SERVICE AGENCY

- Expansion of the Coronavirus Food Assistance Program
 - Funded through CCC
 - CFAP funds used for tobacco component
- USDA Farm Service Agency accepting applications
 - September 21 through December 11, 2020
 - At County Farm Service Agency offices

CFAP 2

- Financial assistance with increased marketing costs/costs of disrupted markets associated with COVID-19.

Expanded list of commodities:

Row Crops	Dairy
Specialty Crops	Livestock
Floriculture and Nursery Crops	Wool
Tobacco	Broilers and Eggs
	Aquaculture
	Specialty Livestock

Eligible Commodities – CFAP 2 Categories

- Price trigger
 - 5% or greater decline comparing Jan 13-17 to July 27-31
- Flat-rate
 - No data to calculate price change or < 5% price decline
- Sales commodities

CFAP 2 – Eligibility Requirements

- Producers of specified commodities
 - Commercial production
 - In business at application
 - Foreign person- meets participation/investment requirements
 - No controlled substance violation
 - Shares in risk of producing a commodity
 - Conservation compliance
- Average AGI < \$900,000 for 2016 – 2018, or
- $\geq 75\%$ of income from farming, ranching, forestry-related activities

CFAP 2

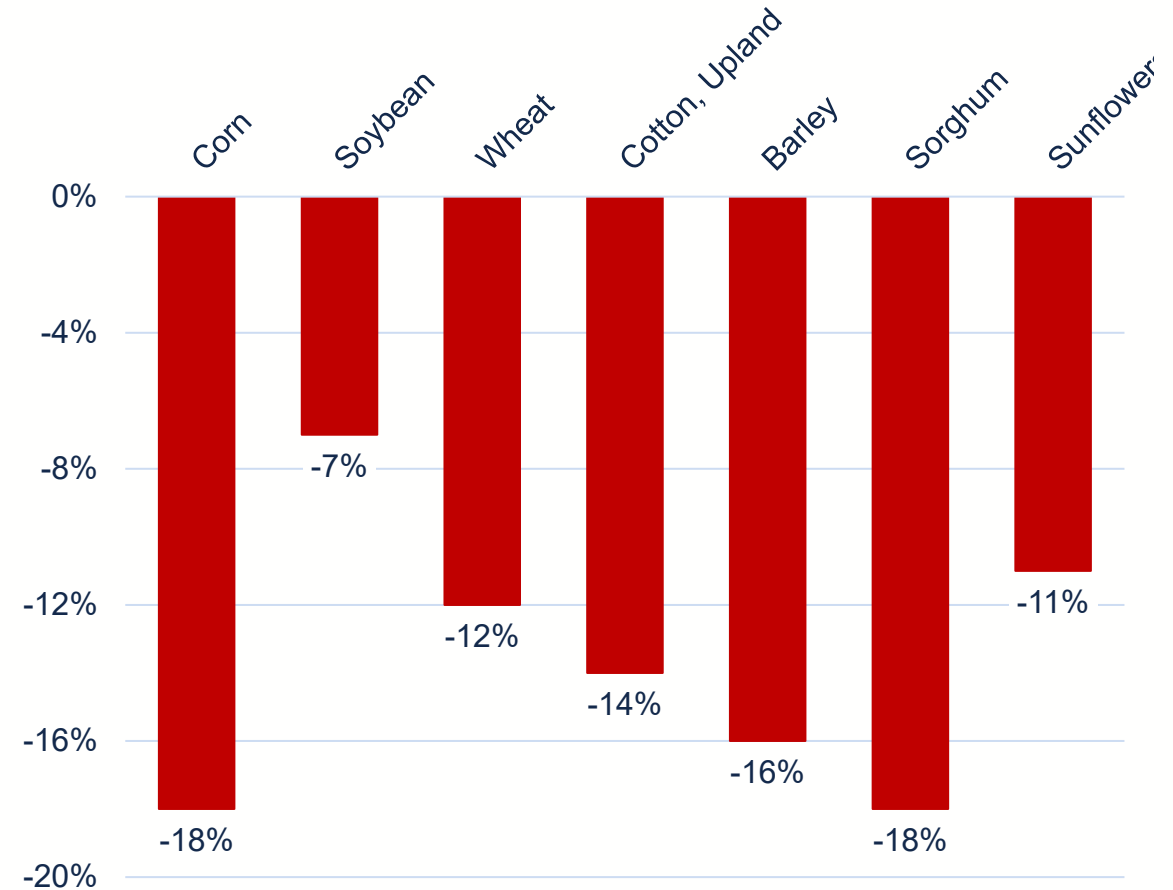
- Payment limitations
 - “Reset” from CFAP 1
 - \$250,00 per person
 - Up to \$750,000 per entity
 - Subject to individuals contributing at least 400 hours of active labor or management
 - Corporations, LLCs, Limited Partnerships
 - Added: Trusts and Estates
- On-line resources at farmers.gov/cfap; call 877.508.8364

CFAP 2.0- Non-specialty crops and grains

5% Price Reduction Trigger Commodities

- Uses either the November or December futures contracts from Jan. 13-17 thru July 27-31.
- For crops without a futures contract including eggs, broilers, and lambs- cash prices were used, or the corresponding adjustment used by the Risk Management Agency (sunflowers, sorghum....)
- $(\text{Jul. 27-31 minus Jan. 13-17}) * 80\%*$
Estimated 2020 crop marketing = **payment rate per commodity**

Percent Change in Prices Jan. 13-17 thru July 27-31



CFAP 2.0- Non-specialty crops and grains

5% Price Reduction Trigger Commodities

- Calculated payment rates for Price Trigger Commodities are in table to right.

Producer Calculations

- 2020 Reported Acres (FSA) \times Actual Production History (APH) (RMA) \times Payment Rate
- For producers without APH data- the weighted ARC-CO yields * 85% will be used.
- Payments have a lower bound of \$15/acre.

Commodity	Effective Payment Rate (\$/unit)	Estimated APH* based on individual data	Estimated Payment Per Acre (\$/acre)
Corn	\$0.232	171 bu.	\$40
Soybeans	\$0.313	50 bu.	\$16
Wheat	\$0.394	64 bu.	\$25
Barley*	\$0.340	61 bu.	\$21
Sorghum	\$0.308	75 bu.	\$23

* 2019 ARC-CO average benchmark yield was used for Barley

CFAP 2.0- Non-specialty crops and grains

Flat Rate Commodities

- Include:

Alfalfa, Amaranth Grain, Buckwheat, Canola, Extra Long Staple Cotton, Crambe, Einkorn, Emmer, Flax, Guar, Hemp, Indigo, Khorasan, Millet, Mustard, Oats, Peanuts, Quinoa, Rapeseed, Rice, Rye, Safflower, Sesame, Speltz, Sugar Beets, Sugarcane, Teff, and Triticale.

Hay (excluding alfalfa), crops intended for grazing, clover, lespedeza, cover crops and prevent plant acres are ineligible

- Flat Rate Commodities- receive a flat \$15/ acre

50 acres of alfalfa x \$15/ acre= \$750


CFAP 2.0- Non-specialty crops and grains

Acreage Based Crops							WARNING!!!! This is an ESTIMATED calculated payment based on information you enter. For barley, corn, upland cotton (or cotton, upland), sorghum, soybeans, sunflowers, and wheat, the yield and acres will be determined by FSA. For all other acre-based crops, the acres will be determined by FSA. The minimum payment rate will be \$15 per acre.
Commodity <i>*For Acreage Based Crops contact your local FSA Office</i>	Total 2020 Reported Acres <i>* For Acreage Based Crops contact your local FSA Office</i>	Weighted Insurance Approved Yield <i>* For Acreage Based Crops contact your local FSA Office</i>	85% of Weighted County Yield <i>* For Acreage Based Crops contact your local FSA Office</i>	Payment Rate	Marketing %	Estimated CFAP 2 CCC Gross Payment	
Corn	200.00	171.00		\$99.18	40.00%	\$7,934.40	
Soybeans	200.00	50.00		\$29.00	54.00%	\$3,132.00	
Total:						\$11,066.40	

Note: For acreage based crops, contact your local FSA Office for accurate acres and yields. The commodity or acres will not populate on the application form.

INCREASED PAYMENT LIMITATION FOR CORPORATIONS, LIMITED LIABILITY COMPANIES AND LIMITED PARTNERSHIPS, TRUSTS, AND ESTATES

Applicants who are Corporations, Limited Liability Companies, and Limited Partnerships, Trusts, and Estates may seek an increase in the per-person payment limitation from \$250,000 to either \$500,000 or \$750,000 based on the number of members, partners, or stockholders who provide 400 hours or more of personal labor or active personal management to the farming operation as defined in 7 CFR Part 1400. Identify the names of members, partners, or stockholders who provide at least 400 hours of active personal labor or active personal management, or combination thereof, to the farming operation.

Disclaimer: **Input** instructions AD-3117 



Sign and submit

CFAP 2.0- Non-specialty crops and grains

Additional Information

- **Crops grown for seed are eligible if underlying commodity is eligible.**
 - Examples= Soybean grown for seed is eligible, but clover grown for seed is not.
- **CFAP 2 is a new program**
 - Producers will need to enroll with their FSA office
 - CFAP 1 payments and ARC/PLC payments to NOT count against payment limitations
- **Reporting is self-certification**
 - Some FSA offices may ask for documentation some may not
 - It is recommended to keep records for at least 3 years in case of audit or spot check
- **Did not have 2019 sales or are a new producer?**
 - The program will use your 2020 actual sales
- **What if I didn't report any crops in 2020, but I had acreage?**
 - The producer can file a late field crop report

CFAP 2.0- Non-specialty crops and grains

Additional Information

Contract growers are eligible if they share in the ownership and risk of the crop are eligible:

For CFAP 2, “contract grower” is a person or legal entity who grows or produces an eligible commodity or livestock under contract for someone else. The contract grower’s income is dependent upon the successful production of a crop or livestock of offspring from livestock. The contract grower does not have ownership in the commodity or livestock and is not entitled to a share from sales proceeds of the commodity or livestock.

Dairy – Cow's Milk - Price Trigger Commodity

- Part I
 - Actual production (milk sales)
 - April 1 through August 31, 2020
 - Payment rate of \$1.20 per cwt.
- Part II
 - Estimated production
 - September 1 through December 31, 2020
 - Payment rate of \$1.20 per cwt.



Dairy - Example

- Part I – Actual production April 1 - August 31
 - Use “Final” milk checks for each month

Month	Cwt Milk Sold
April	2,458
May	2,558
June	2,489
July	2,688
August	<u>2,526</u>
Total	12,719

12,719 cwt sold
x \$1.20 /cwt
\$15,262.80

Dairy - Example

- Part II – Estimated production Sept 1 – December 31

12,719 cwt sold April – August

÷ 152 days

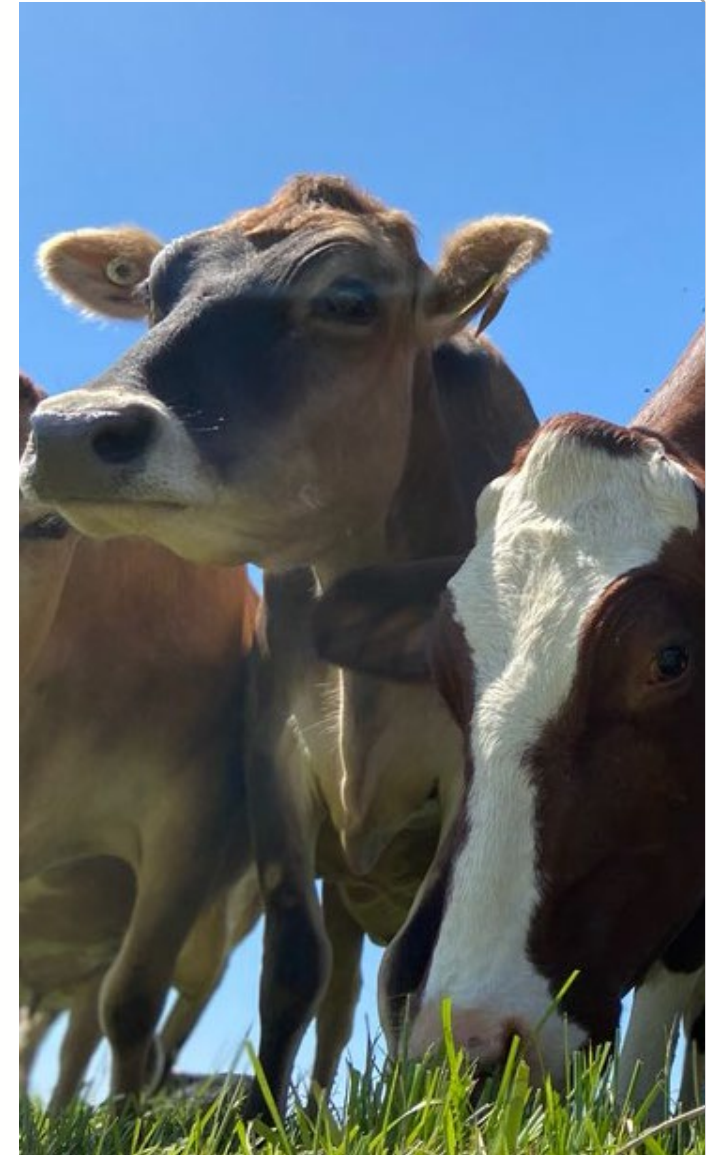
83.67 cwt produced per day (average)

83.67 x 122 days (September 1 – December 31) = 10,207.74 cwt

$$\begin{array}{r} 10,207.74 \text{ cwt estimated production} \\ \times \quad \$1.20 \text{ /cwt} \\ \hline \$12,249.28 \end{array}$$

Dairy – Cow's Milk CFAP 2 Payment

Part I Actual Production	\$15,262.80
Part II Estimated	<u>\$ 12,249.28</u>
Total	\$ 27,512.08



CFAP 2 – Eligible Livestock

- Livestock eligible for CFAP 2 includes: beef cattle, hogs and pigs, and lambs and sheep.
- Specialty livestock eligible for CFAP 2 consists of animals commercially raised for food, fur, fiber, or feathers, and includes: alpacas, bison, buffalo, beefalo, deer, ducks, elk, emus, geese, goats, guinea pigs, llamas, mink (including pelts), mohair, ostrich, pheasants, quail, rabbits, reindeer, and turkey.
- All equine, breeding stock, companion or comfort animals, pets, and animals raised for hunting or game purposes are ineligible for CFAP 2

CFAP 2 –Livestock Payment Details

- For **beef cattle, hogs and pigs, and lambs and sheep**, payments will be equal to the highest owned inventory of eligible livestock, excluding breeding stock, on a date selected by the eligible producer from April 16, 2020, through August 31, 2020, multiplied by the CCC payment rate.
- CFAP 2 payments are available for eligible producers of **specialty livestock** commodities, which are categorized as sales commodities. Payment calculations will use a sales-based approach, where producers of eligible specialty commodities are paid based on five payment gradations associated with their 2019 sales.

CFAP 2 – Livestock Payment Examples

Beef Cattle- \$55 per head
Hogs & Pigs- \$23 per head
Lambs & Sheep- \$27 per head

Note:

- Excludes breeding stock
- Operations can qualify for up to 3 payment limits if met hour of labor and/or management
- <https://www.farmers.gov/sites/default/files/documents/CFAP2-CBA-09252020.pdf>
- Calculator at <https://www.farmers.gov/cfap>



CFAP 2 – Specialty Livestock Payments

- Specialty livestock eligible for CFAP 2 consists of animals commercially raised for food, fur, fiber, or feathers.
- Payments based on sales-based approach based on 5 payment gradations associated with 2019 sales.
- Payments for specialty livestock producers who began farming in 2020 and had no sales in 2019 will be based on the producer's actual 2020 sales as of the producer's application date.



CFAP 2 – Specialty Livestock Payments

The amount of the producer's eligible sales in 2019 multiplied by the payment rate for that range:

2019 Sales Range	Percent Payment Factor for the Producer's 2019 Sales
\$0 to \$49,999	10.6%
\$50,000 to \$99,999	9.9%
\$100,000 to \$499,999	9.7%
\$500,000 to \$999,999	9.0%
Sales over \$1 million	8.8%

CFAP 2 – Specialty Livestock Payments Examples

- Farmer sells 200 market goats in 2019 at average \$300/hd. Total sales-\$60K

Tier 1	\$49,999	*10.6%	=	\$ 5,300
Tier 2	\$10,000	*9.9%	=	\$ 990
Total payment =				\$ 6,290



- Farmer sells 25 market goats in 2019 at average \$300/hd. Total sales-\$7.5K

Tier 1	\$7,5000	*10.6%	=	\$ 795
Total payment =				\$ 795

Legal Update

Ohio House Bill 606 – COVID Immunity Bill

*“Individuals who decide to go out in public places should bear responsibility for taking steps to avoid exposure to COVID-19... Orders and recommendations from the Executive Branch, from counties and local municipalities, from boards of health and other agencies, and from any federal government agency **do not create any new legal duties** for purposes of tort liability...”*

- Prohibits a person from bringing a civil action seeking damages for exposure to or transmission of coronavirus contracted between March 9, 2020 and September 30, 2021.
 - **Unless** exposure to or transmission was the result of a defendant’s reckless, intentional, willful or wanton misconduct.
- Should businesses continue COVID-19 practices?
 - May have to defend an allegation of “reckless” behavior
 - What about potential impacts on:
 - Customer and employee health?
 - Workers’ compensation claims?
 - Publicity as a “hot spot”?

Other Ohio legislation on the move

- Overhaul of Ohio's petition ditch law – HB 340
 - Aligning county engineer and SWCD timelines and processes
 - Technical practices incorporated into law
 - Language edit
- Purple paint bill – SB 290
 - Purple paint markings can designate property boundaries


Pesticide/herbicide registration battles


- Enlist Duo back in court
 - Registration renewed except for impact on monarch butterflies
 - Request for “en banc” review
- New registration applications for Engenia and XtendiMax are back at EPA; also reviewing re-registration of Tavium
 - Approval in time for 2021 season?
 - Bayer’s “plant with confidence” offer:
 - Price reduction for purchases of RR 2Xtend (\$7/unit) and XtendFlex soybeans (\$3/unit) if XtendiMax or OTT dicamba is not approved for registration by Feb. 20, 2021.

Crop Enterprise Budgets

Ohio Cropland Values & Cash Rents '19-20

Ohio Farm Custom Rates 2020

<div><div><div><div>THE OHIO STATE UNIVERSITY</div><div>COLLEGE OF FOOD, AGRICULTURAL AND ENVIRONMENTAL SCIENCES</div></div></div><div><div>CORN PRODUCTION BUDGET- 2021</div><div>Conservation Tillage Practices: N-Source - NH3</div><div>Reflects 2000 acres, Conservation Tillage Corn/No-Till RR Soybeans</div></div></div>				Updated:			10//2020		
ITEM	EXPLANATION			YOUR PROD. NUMBERS	PRICE PER UNIT	YIELD (bu/A) ¹			YOUR BUDGET
						140	175	210	215
RECEIPTS									
Corn ¹					\$3.70 /bu	518.30	647.87	777.44	795.50
ARC/PLC Payment (paid October 2022) ²						12.75	12.75	12.75	12.75
Crop Insurance Indemnity						0.00	0.00	0.00	0.00
Ad Hoc Payment						0.00	0.00	0.00	0.00
Grower or Market Premium						0.00	0.00	0.00	0.00
TOTAL RECEIPTS						531.05	660.62	790.19	808.25
VARIABLE COSTS									
Seed (kernels) ³	28000	32000	34000	34000	\$3.25 /1000	91.00	104.00	110.50	110.50
	Seed Cost Per Bag				\$260.00 /bag				
Fertilizer ⁴									
Starter Fertilizer						0.00	0.00	0.00	0.00
N (lbs.)	168.0	186.0	206.0	206.0	0.28 /lb	57.12	62.17	67.78	67.78
P ₂ O ₅ (lbs)	49.0	61.3	73.5	75.3	0.41 /lb	20.27	25.34	30.41	31.11
K ₂ O(lbs)	28.0	35.0	42.0	43.0	0.27 /lb	7.59	9.48	11.38	11.65
Lime(ton)		0.25		0.25	25 /ton	6.25	6.25	6.25	6.25
Chemicals ⁵	Herbicide					46.22	46.22	46.22	46.22
	Fungicide					0.00	0.00	0.00	0.00
	Insecticide					0.00	0.00	0.00	0.00
Drying ⁶	20.0	% moisture at harvest		0.039	/cent/bu/point	27.32	34.14	40.97	41.93
Hauling ⁷	\$0.155	/per bushel				21.71	27.14	32.57	33.33
Fuel, Oil, Grease ⁸						11.00	11.00	11.00	11.00
Repairs ⁹						25.54	25.54	25.54	25.54
Crop Insurance ¹⁰						11.00	13.00	15.00	15.00
Miscellaneous ¹¹						5.10	5.10	5.10	5.10
Hired Custom Work ¹²						22.20	22.20	22.20	22.20
Hired Labor ¹³						0.00	0.00	0.00	0.00
Int. on Oper. Cap. ¹⁴		7	mo.		4.00%	6.82	7.40	7.85	7.87
TOTAL VARIABLE COSTS			-Per Acre			359.14	398.99	432.77	435.47
			-Per Bushel			2.56	2.28	2.06	2.03
FIXED COSTS									
Labor Charge ¹⁵	2.25	hours			17.00 /hr	38.25	38.25	38.25	38.25
Management Charge ¹⁶	5%	of gross revenue				26.55	33.03	39.51	40.41
Mach. And Equip. Charge ¹⁷						75.22	75.22	75.22	75.22
Land Charge ¹⁸		Rent				155.00	195.00	242.00	242.00
Miscellaneous ¹⁹						20.50	20.50	20.50	20.50
TOTAL FIXED COSTS						315.52	362.00	415.48	416.38
TOTAL COSTS			-Per Acre			674.66	760.99	848.25	851.85
			-Per Bushel			4.82	4.35	4.04	3.96
RETURN ABOVE VARIABLE COSTS ²⁰						171.91	261.63	357.43	372.78
RETURN ABOVE VARIABLE AND LAND COSTS						16.91	66.63	115.43	130.78
RETURN ABOVE TOTAL COSTS						-143.61	-100.37	-58.05	-43.60
RETURN TO LAND						11.39	94.63	183.95	198.40
RETURN TO LABOR AND MANAGEMENT						-78.81	-29.09	19.71	35.06
RETURN TO LAND, LABOR AND MANAGEMENT						76.19	165.91	261.71	277.00

<div> THE OHIO STATE UNIVERSITY COLLEGE OF FOOD, AGRICULTURAL, AND ENVIRONMENTAL SCIENCES</div>		SOYBEAN PRODUCTION BUDGET (Roundup Ready) - 2021 No-Tillage Practices Reflects 2000 acres, Conservation Tillage Corn/No-Till RR Soybeans					
		Updated:				10//2020	
ITEM	EXPLANATION	YOUR PROD. NUMBERS	PRICE PER UNIT	YIELD (bu/A) ¹			YOUR BUDGET
				43	54	65	67
RECEIPTS							
Soybeans ¹			\$9.40 bu	407.58	509.48	611.38	629.80
ARC/PLC Payment (paid October 2022) ²				12.75	12.75	12.75	12.75
Crop Insurance Indemnity				0.00	0.00	0.00	0.00
Ad Hoc Payment				0.00	0.00	0.00	0.00
Grower or Market Premium				0.00	0.00	0.00	0.00
TOTAL RECEIPTS				420.33	522.23	624.13	642.55
VARIABLE COSTS							
Seed ³	160000 seeds	160000	0.393 /1000	62.88	62.88	62.88	62.88
Fertilizer ⁴	/acre						
P2O5(lbs)	34.7 43.4 52.0	53.6	0.41 lb	14.34	17.93	21.51	22.16
K2O(lbs)	49.9 62.3 74.8	77.05	0.27 lb	13.50	16.88	20.26	20.87
Lime(ton)	0.25	0.25	25 ton	6.25	6.25	6.25	6.25
Chemicals ⁵	Herbicide			41.99	41.99	41.99	41.99
	Insecticide			0.00	0.00	0.00	0.00
	Fungicide			0.00	0.00	0.00	0.00
Hauling ⁶	\$0.155 /per bushel			6.72	8.40	10.08	10.39
Fuel, Oil, Grease ⁷				9.26	9.26	9.26	9.26
Repairs ⁸				21.60	21.60	21.60	21.60
Crop Insurance ⁹				8.00	10.00	12.00	12.00
Miscellaneous ¹⁰				3.40	3.40	3.40	3.40
Hired Custom Work ¹¹				7.00	7.00	7.00	7.00
Hired Labor ¹²				0.00	0.00	0.00	0.00
Int. on Oper. Cap. ¹³	6 mo.	4.00%		3.60	3.74	3.88	3.91
TOTAL VARIABLE COSTS		-Per Acre		198.56	209.34	220.12	221.71
		-Per Bushel		4.58	3.86	3.38	3.31
FIXED COSTS							
Labor Charge ¹⁴	1.1 hours	17.00 /hr		18.70	18.70	18.70	18.70
Management Charge ¹⁵	5% of gross income			21.02	26.11	31.21	32.13
Mach. and Equip. Charge ¹⁶				59.20	59.20	59.20	59.20
Land Charge ¹⁷				155.00	195.00	242.00	242.00
Miscellaneous ¹⁸				13.40	13.40	13.40	13.40
TOTAL FIXED COSTS				267.31	312.41	364.50	365.42
TOTAL COSTS		-Per Acre		465.87	521.75	584.62	587.13
		-Per Bushel		10.74	9.63	8.99	8.76
RETURN ABOVE VARIABLE COSTS ¹⁹				221.78	312.89	404.01	420.84
RETURN ABOVE VARIABLE AND LAND COSTS				66.78	117.89	162.01	178.84
RETURN ABOVE TOTAL COSTS				-45.54	0.48	39.50	55.42
RETURN TO LAND				109.46	195.48	281.50	297.42
RETURN TO LABOR AND MANAGEMENT				-5.82	45.30	89.41	106.25
RETURN TO LAND, LABOR, AND MANAGEMENT				149.18	240.30	331.41	348.25

CORN BUDGET - 2021

Item	Input	Yield in bushels/acre	
Receipts		175	210
Corn Price	\$3.70 /bushel	\$647.87	\$777.44
ARC/PLC +MFP		\$12.75	\$12.75
Variable Costs			
Seed Cost		\$104.00	\$110.50
Fertilizer+Soil Amendment		\$103.24	\$116.79
Chemicals (Crop Protection)		\$46.22	\$46.22
Fuel		\$11.00	\$11.00
Repairs		\$25.54	\$25.54
Crop Insurance		\$13.00	\$15.00
All Other		\$95.99	\$110.42
Total Variable Costs / Acre		\$398.99	\$432.77
Fixed Costs			
Labor and Management		\$71.28	\$77.76
Machinery Cost		\$75.22	\$75.22
Land Rent		\$195.00	\$242.00
Total Costs / Acre		\$760.99	\$848.25
Returns			
Return to Total Costs		-\$100.37	-\$58.05
Return to Variable Costs		\$261.63	\$357.43
Return to Land		\$94.63	\$183.95

SOYBEAN BUDGET - 2021

Item	Input	Yield in bushels/acre	
Receipts		54	65
Soybean Price	\$9.40 /bushel	\$509.48	\$611.38
ARC/PLC +MFP		\$12.75	\$12.75
Variable Costs			
Seed Cost		\$62.88	\$62.88
Fertilizer+Soil Amendment		\$41.06	\$48.02
Chemicals (Crop Protection)		\$41.99	\$41.99
Fuel		\$9.26	\$9.26
Repairs		\$21.60	\$21.60
Crop Insurance		\$10.00	\$12.00
All Other		\$22.54	\$24.69
Total Variable Costs / Acre		\$209.34	\$220.12
Fixed Costs			
Labor and Management		\$44.81	\$49.91
Machinery Cost		\$59.20	\$59.20
Land Rent		\$195.00	\$242.00
Total Costs / Acre		\$521.75	\$587.13
Returns			
Return to Total Costs		\$0.48	\$39.50
Return to Variable Costs		\$312.89	\$404.01
Return to Land		\$195.48	\$281.50

WHEAT BUDGET - 2021

Item	Input	Yield in bushels/acre	
Receipts		72	86
Wheat Price	\$5.70 /bushel	\$409.83	\$491.80
ARC/PLC		\$12.75	\$12.75
Variable Costs			
Seed Cost		\$43.40	\$43.40
Fertilizer+Soil Amendment		\$58.44	\$69.90
Chemicals (Crop Protection)		\$14.65	\$14.65
Fuel		\$6.67	\$6.67
Repairs		\$13.81	\$13.81
Crop Insurance		\$6.00	\$6.50
All Other		\$33.38	\$35.95
Total Variable Costs / Acre		\$176.35	\$190.88
Fixed Costs			
Labor and Management		\$43.44	\$47.54
Machinery Cost		\$33.79	\$33.79
Land Rent		\$195.00	\$242.00
Total Costs / Acre		\$459.28	\$524.91
Returns			
Return Above Total Costs		-\$36.70	-\$20.36
Return Above Variable Costs		\$246.23	\$313.67
Return to Land		\$158.30	\$221.64

Crop Enterprise Budgets 2021

		Corn	Soybeans	Wheat
Receipts		175/3.70	54/9.40	72/5.70
Crop Revenue		\$647.87	\$509.48	\$409.83
ARC/PLC +MFP		\$12.75	\$12.75	\$12.75
Variable Costs		\$398.99	\$209.34	\$176.35
Returns				
Return to Variable Costs		\$261.63	\$312.89	\$246.23
Return to Land		\$94.63	\$195.48	\$158.30

Western Ohio Cropland Values and Cash Rents 2019-20

Barry Ward, Leader, Production Business Management
Director, OSU Income Tax Schools
OSU Extension, Agriculture & Natural Resources

According to the Western Ohio Cropland Values and Cash Rents Survey, cropland values in western Ohio are expected to decline slightly in 2020 by 1.5 to 2.6 percent depending on the region and land class. Cash rents are expected to be flat to slightly lower decreasing from 0.7 to 2.0 percent depending on the region and land class.



**Table 1: Ohio Cropland Values and Cash Rents
Western Ohio Results**

Land Class		Average	Std	Range*	
Average	Avg Corn Yield (b/a)	180.0	16.1	196.1	163.8
	Avg Soybean Yield (b/a)	54.5	6.1	60.5	48.4
Market Value per Acre	2019	\$7,355	\$1,466	\$8,821	\$5,888
	2020	\$7,218	\$1,451	\$8,669	\$5,768
Rent per Acre	2019	\$198	\$29	\$226	\$169
	2020	\$195	\$28	\$223	\$167
Top	Avg Corn Yield (b/a)	215.9	21.4	237.3	194.5
	Avg Soybean Yield (b/a)	66.7	6.7	73.3	60.0
Market Value per Acre	2019	\$9,099	\$2,023	\$11,123	\$7,076
	2020	\$8,935	\$1,973	\$10,908	\$6,962
Rent per Acre	2019	\$247	\$39	\$285	\$208
	2020	\$242	\$37	\$280	\$205
Poor	Avg Corn Yield (b/a)	148.8	19.3	168.1	129.5
	Avg Soybean Yield (b/a)	42.6	6.4	49.0	36.1
Market Value per Acre	2019	\$5,860	\$1,357	\$7,217	\$4,502
	2020	\$5,748	\$1,402	\$7,150	\$4,345
Rent per Acre	2019	\$156	\$30	\$186	\$127
	2020	\$155	\$29	\$184	\$126



**Table 3: Ohio Cropland Values and Cash Rents
Southwest Ohio Results**

Land Class		Average		Std		Range*	
Average	Avg Corn Yield (bu/a)	181.7	18.1	199.8	163.7		
	Avg Soybean Yield (bu/a)	54.9	6.4	61.4	48.5		
Market Value per Acre	2019	\$7,701	\$1,662	\$9,363	\$6,039		
	2020	\$7,589	\$1,613	\$9,202	\$5,976		
Rent per Acre	2019	\$205	\$32	\$237	\$173		
	2020	\$203	\$30	\$233	\$173		
Top	Avg Corn Yield (bu/a)	216.1	21.8	237.9	194.3		
	Avg Soybean Yield (bu/a)	67.1	7.4	74.5	59.7		
Market Value per Acre	2019	\$9,510	\$2,313	\$11,823	\$7,198		
	2020	\$9,363	\$2,224	\$11,587	\$7,140		
Rent per Acre	2019	\$253	\$42	\$295	\$212		
	2020	\$249	\$40	\$288	\$209		
Poor	Avg Corn Yield (bu/a)	153.0	19.5	172.5	133.5		
	Avg Soybean Yield (bu/a)	43.4	6.9	50.3	36.5		
Market Value per Acre	2019	\$6,203	\$1,469	\$7,672	\$4,734		
	2020	\$6,104	\$1,463	\$7,567	\$4,641		
Rent per Acre	2019	\$166	\$31	\$197	\$135		
	2020	\$164	\$29	\$193	\$136		



**Table 2: Ohio Cropland Values and Cash Rents
Northwest Ohio Results**

Land Class		Average		Std		Range*	
Average	Avg Corn Yield (b/a)	176.9	11.5	188.4	165.4		
	Avg Soybean Yield (b/a)	53.6	5.3	58.9	48.3		
Market Value per Acre	2019	\$6,791	\$800	\$7,590	\$5,991		
	2020	\$6,615	\$840	\$7,455	\$5,775		
Rent per Acre	2019	\$184	\$12	\$196	\$172		
	2020	\$182	\$16	\$198	\$166		
Top	Avg Corn Yield (b/a)	215.5	20.7	236.3	194.8		
	Avg Soybean Yield (b/a)	65.9	5.1	71.0	60.8		
Market Value per Acre	2019	\$8,453	\$1,200	\$9,653	\$7,253		
	2020	\$8,262	\$1,223	\$9,485	\$7,038		
Rent per Acre	2019	\$235	\$30	\$265	\$206		
	2020	\$232	\$30	\$263	\$202		
Poor	Avg Corn Yield (b/a)	142.0	16.9	158.9	125.1		
	Avg Soybean Yield (b/a)	41.2	5.2	46.3	36.0		
Market Value per Acre	2019	\$5,328	\$944	\$6,272	\$4,385		
	2020	\$5,196	\$1,094	\$6,290	\$4,102		
Rent per Acre	2019	\$141	\$19	\$159	\$122		
	2020	\$140	\$21	\$161	\$118		



Ohio Farm Custom Rates 2020

Planting Operations

Conventional Till

	Average	Median	Max	Min
Plant Corn 30" Rows / Acre	\$20.00	\$20.00	\$50.00	\$10.00
Plant Corn w/ Starter Fertilizer 30" Rows / Acre	\$21.10	\$20.00	\$50.00	\$10.00
Variable rate corn planting / Acre	\$22.00	\$20.00	\$38.00	\$14.00
Plant Soybeans 15" or 30" Rows / Acre	\$20.10	\$20.00	\$50.00	\$6.00
Variable rate soybean planting / Acre	\$20.20	\$20.00	\$35.00	\$14.00
Drill Soybeans / Acre	\$18.00	\$17.25	\$40.00	\$8.00
Drill Small Grains / Acre	\$17.30	\$17.25	\$27.00	\$8.00

No-Till

Plant Corn 30" Rows / Acre	\$20.10	\$20.00	\$50.00	\$10.00
Plant Corn w/ Starter Fertilizer 30" Rows / Acre	\$21.20	\$20.00	\$50.00	\$10.00
Variable rate corn planting / Acre	\$22.30	\$20.00	\$38.00	\$14.00
Plant Soybeans 15" or 30" Rows / Acre	\$20.10	\$20.00	\$50.00	\$6.00
Variable rate soybean planting / Acre	\$20.50	\$20.00	\$28.00	\$14.00
Drill Soybeans / Acre	\$18.00	\$16.85	\$30.00	\$8.00
Drill Small Grains / Acre	\$17.60	\$17.00	\$30.00	\$8.00

Grass/Legume/Pasture Seeding

Broadcast / Acre	\$9.20	\$8.00	\$15.00	\$5.00
Grain drill / Acre	\$16.70	\$17.50	\$25.00	\$8.00

Grain Harvest

	Average	Median	Max	Min
Harvest Corn / (combine, grain cart, haul local to farm) / Acre	\$33.90	\$34.50	\$55.00	\$22.00
Harvest Soybeans / (combine, grain cart, haul local to farm) / Acre	\$31.50	\$30.00	\$50.00	\$16.00
Harvest Wheat / (combine, grain cart, haul local to farm) / Acre	\$31.50	\$30.00	\$50.00	\$22.00
Added Charge GPS Mapping	\$1.40	\$1.00	\$5.00	\$0.00
Combine Corn / Corn	\$29.00	\$30.00	\$40.00	\$15.00
Combine Soybeans / Acre	\$27.80	\$28.00	\$40.00	\$15.00
Combine Small Grains / Acre	\$28.40	\$28.25	\$40.00	\$15.00
Pick Ear Corn / Acre	\$30.00	\$30.00	\$40.00	\$20.00
Grain Cart / Acre	\$5.30	\$5.00	\$10.00	\$2.00

Grain Storage - On Farm

	Average	Median	Max	Min
Storage / Month / Bushel	\$0.047	\$0.050	\$0.12	\$0.02
Storage / Year / Bushel	\$0.19	\$0.16	\$0.60	\$0.06

Grain Drying

Per Point of Moisture Removed / Bushel	\$0.039	\$0.040	\$0.07	\$0.02
--	---------	---------	--------	--------

Grain Hauling

Farm to Market / Bushel	\$0.155	\$0.150	\$0.280	\$0.050
Average Miles - Farm to Market	25.2	22.0	63.0	3.0
Field to Farm / Bushel	\$0.102	\$0.100	\$0.150	\$0.050
Average Miles - Field to Farm	13.3	10.0	50.0	5.0

OSU Income Tax Schools

Farmer & Farmland Owner Income Tax Webinar

December 3rd, 6:30pm

Topics:

- Tax Issues related to COVID-related legislations including tax credits, PPP loans, EIDL loans etc.
- New 1099-Misc and 1099-NEC
- Tax planning in an unusual year: prevented planting crop insurance indemnity payments, Revenue Crop Insurance Payments, CFAP payments, etc.
- Like Kind Exchanges (farm machinery and equipment no longer are eligible for this provision – this is a significant change), how this change may affect state income tax and how this change may affect your Social Security credits and eventual payments
- Qualified Business Income Deduction, sales to cooperatives, lease income
- Other topics

Agricultural and Natural Resources Income Tax Issues Webinar

December 18, 8:45am – 3:30 pm

Tentative Topics:

- Depreciation of Farm Assets
- Farm or Ranch Employer-Provided Meals and Lodging
- Tax Issues for Family-Owned Farms
- Family Farm Special Use Valuation
- Self-Employment Tax on Agricultural Income
- The Impact of New Legislation on Farmers
- Like-Kind Exchange Issues Impacting Farmers
- Getting Out of the Business of Farming
- Retirement & Social Security Concerns for Farmers
- Form 4797, Sale of Business Property
- Qualified Business Income Tax Issues for Farmers
- Tax Issues Arising Upon the Death of a Farmer
- Current Uniform Capitalization Rules for Orchards and Vineyards

**Income Tax Schools – 2 Day Schools (Targeted for Professionals)
Continuing Education Offered – 16 Hrs IRS, 13.25 Hrs CLE
In-Person and Virtual Schools Offered**

<https://farmoffice.osu.edu/tax>

**Barry Ward, Director, OSU Income Tax Schools: Co-Host & Question Wrangler
Julie Strawser, Program Assistant, OSU Income Tax Schools: Co-Host and Webinar Manager**

CFAES

Contact Information

- Barry Ward
 - 614.688.3959 or ward.8@osu.edu
- Peggy Hall
 - 937.645.3123 or hall.673@osu.edu
- Ben Brown
 - 614.688.8686 or brown.6888@osu.edu
- Dianne Shoemaker
 - 330.533.5538 or shoemaker.3@osu.edu
- David Marrison
 - 740.622.2265 or marrison.2@osu.edu
- Julie Strawser
 - 614.292.2433 or strawser.35@osu.edu