

## **Seed Cotton PLC Payment Matrix Available on PCG Website**

Friday, January 3, 2020

By Mary Jane Buerkle

Cotton growers have a new resource to help determine their seed cotton Price Loss Coverage (PLC) payment rate per base acre.

The Seed Cotton PLC Payment Matrix is a helpful decision tool for producers as they begin to make their Title I policy decisions for the 2019 and 2020 crop years.

Growers can plug in their own seed cotton yield to estimate their seed cotton PLC payment rate per base acre. The matrix takes into account the marketing year average (MYA) price for lint and seed. It is current as of the end of December 2019 and will be updated monthly.

“This is not a guaranteed calculation, but it will give growers and lenders an idea of their potential PLC payment rate on seed cotton,” PCG Vice President of Operations and Legislative Affairs Kody Bessent said.

The spreadsheet is only available via desktop and is not optimized for mobile. The link can be found on the Tools and Reminders page on the PCG website at <https://plainscotton.org/tools-and-reminders/>.

## **New Laws Help Farmers and Veterans Deal with Debt and Income Taxes**

Friday, January 3, 2020

By David R. Langston, Partner,

Mullin, Hoard & Brown, LLP, Lubbock, TX

President Trump signed into law several bankruptcy reforms on August 23, 2019. These bills are called: the Family Farmer Relief Act, the Honoring American Veterans in Extreme Need Act (HAVEN), and the Small Business Reorganization Act (SBRA).

**Family Farmer Relief Act:** This act very simply amends the definition of “family farmer” to increase the current debt limitations from \$4.4 million to \$10 million. As a result, many farmers who were not eligible for relief under Chapter 12 before now are.

Congress recognized that low prices and bad weather have caused many farmers economic stress. This amendment provides needed assistance to farmers restructuring their finances or dealing with tax liabilities.

It is important for farmers to get advice before making decisions about 2020 – particularly if you have carried over 2019 crops and need to liquidate assets to service debt. If approached properly income taxes can be discharged for qualifying family farmers.

This financial planning must occur prior to paying off operating loans. Otherwise, the options available become more limited.

A structured reorganization plan under these new provisions of the Bankruptcy Code will allow many family farmers the opportunity to continue farming. Qualifying farmers with up to

\$10,000,000 in debt can have their debts restructured -- giving them needed breathing room to keep and maintain their family farms – and also allow them to avoid full payment of income taxes resulting from sales of farm assets.

Eligibility depends upon your personal financial situation. To find out if you are eligible for this relief you should contact your local attorney or tax consultant.

**Small Business Reorganization Act:** The SBRA does two things. First, it adds a subchapter to Chapter 11 to provide a new option for reorganization of a “small business debtor.” Second, it makes an adjustment to preference laws and the venue statute which governs such cases in bankruptcy courts.

SBRA will allow small businesses with up to \$2.7 million in debt a simplified process to receive bankruptcy protection, allowing negotiation with creditors while staying in operation. These provisions may afford timely relief to small agribusinesses in economic distress due to tariffs.

The consensus has been that Chapter 11 is not well-suited for individuals or small businesses. It is too expensive and complicated. The new SBRA is designed to remove the obstacles and stream-line the process for qualifying individuals and businesses. It prevents the largest creditors from dominating and controlling the case.

SBRA allows the individual or business to retain management of the assets while the case is administered. It also calls for the appointment of a Small Business Trustee to facilitate the development of a viable restructuring plan and to resolve disputes without the necessity of court hearings that take time and cost money.

Once again getting timely professional advice from your attorney and accountant is critical for success.

**Honoring American Veterans in Extreme Need Act:** The HAVEN Act amends the definition of “current monthly income” to exclude certain veteran disability and death benefits. This change makes our returning veterans who have carried the burden of foreign wars eligible for bankruptcy relief even if they are receiving monthly payments for their service. Congress believed the old law was unfair and has now made these changes to the law to allow veterans to restructure their finances under the Bankruptcy Code.

Contrary to the old adage about what you don’t know can’t hurt you – often times what you don’t know can prevent you from helping yourself and your family. You should seek information and advice on these new laws so you are aware of the tools available to assist you and your family during these difficult financial times. Congress passed these bankruptcy reforms, on a bi-partisan basis, to help our veterans as well as family farmers and small businesses who are on the front lines of America’s international disputes.

*The author of this article, David R. Langston, is a Partner at Mullin, Hoard & Brown, LLP, in Lubbock, Texas.*

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## Farm Stress: Help and Hope

<https://pcca.com/farm-stress-help-and-hope/>

### Upcoming Area Ag Conferences

**January 10** – West Plains Crops Conference, Registration at 8:30 a.m., Sundown Room at South Plains College, Levelland. CEUs available. More info: Kerry Siders, EA-IPM, or Wes Utley, CEA-AG/NR, (806) 894-3159.

**January 13** – Crop Production Meeting, **Dalhart**. More info: Mike Bragg, CEA-AG/NR, (806) 244-4434.

**January 13** – Hemp Production Meeting, 8:30-10:30 a.m., Texas A&M AgriLife Research & Extension Center, 6500 W. Amarillo Blvd., **Amarillo**. More info: Megan Eikner, CEA-AG/NR, (806) 373-0713.

**January 14** – Southern Mesa Ag Conference, Registration 8 a.m., Forrest Park Community Center, **Lamesa**. CEUs available. More info: Gary Roschetzky, CEA-AG/NR, (806) 872-3444.

**January 14** – Crop Profitability and Farm Bill Analyzer Meeting, Ochiltree County Expo Center, 402 Expo Drive, **Perryton**. More info: Scott Strawn, CEA-AG/NR, (806) 435-4501.

**January 15** – SE Panhandle Ag Conference, Donley County Activity Center, **Clarendon**. 5 CEUs available. More info: Leonard Haynes, CEA-AG/NR, (806) 874-2141.

**January 15** – [Top of Texas Cotton Conference](#), M.K. Brown Auditorium, 1100 W. Coronado Drive, **Pampa**. Four CEUs including Auxin Certification. Lunch provided. More info: Nick Simpson, CEA-AG/NR, (806) 669-8033.

**January 15** – Crop Production Meeting, **Stratford**. More info: Dennis Coker, Extension Program Specialist, (979) 845-2862.

**January 16** – South Plains Ag Conference, Registration 8 a.m., Reddy Event Center, 2149 Tahoka Road, US-380, **Brownfield**. Cost: \$20 at the door. More info: Geoff Cooper, CEA-AG/NR, (806) 637-4060.

**January 21** – NW Panhandle Cotton Conference, Registration 8:30 a.m., Moore County Community Building, **Dumas**. More info: Marcel Fischbacher, CEA-AG/NR, (806) 935-2594.

**January 22** – Crop Production Meeting, **Panhandle**. More info: Jody Bradford, Carson County CEA-AG/NR, (806) 537-3882.

**January 23** – Texas Alliance for Water Conservation 6<sup>th</sup> Annual Water College, Lubbock Memorial Civic Center. No fee to attend, lunch provided, CEUs available. More info: <http://www.tawc.us>

**January 23** – Hale/Swisher Ag Conference, Ollie Liner Center, **Plainview**. Cost: \$20 at the door. 4 CEUs plus Auxin Certification. More info: Andy Hart, CEA-AG/NR, (806) 291-5267.

**January 24** – [Caprock Crop Production Conference](#), Registration 7 a.m., program begins 8 a.m., Floyd County Friends Unity Center, **Muncy** (between Floydada and Lockney on U.S. Highway 70). 7 CEUs and 7 CCAs available. Cost: \$40 before January 17, \$50 at the door. More info: Dr. Caitlin Jackson, Crosby County CEA-AG/NR, (806) 675-2347, or Mark Carroll, Floyd County CEA-AG/NR, (806) 983-4912.

**January 28** – High Plains Cotton Conference, Registration 9:30 a.m., Ag Producers Co-op Gin east of **Spearman**. More info: Kristy Slough, CEA-AG/NR, (806) 878-4026.

**January 29** – Pre-Plant Producers Meeting, registration 8:30 a.m., Randall County Extension Office, 200 N. Brown Road, **Canyon**. Cost: \$10 at the door, RSVP by January 24. Auxin Certification available. More info: Dr. J.D. Ragland, CEA-AG/NR, (806) 468-5543.

**January 29** – Crop Profitability Conference, 10 a.m.-Noon, Gray County Annex, **Pampa**. Limited to first 10 people, cost \$25/farm unit. More info: Nick Simpson, CEA-AG/NR, (806) 669-8033.

**January 30** – Yoakum County Ag Conference, Registration 9 a.m., Plains State Bank Event Center, **Plains**. Lunch provided, Auxin Certification available. More info: Sierra Stephens, CEA-AG/NR, (806) 456-2263.

**January 30** – Right of Way Training, Registration 8:30 a.m., Texas A&M AgriLife Research & Extension Center, 6500 W. Amarillo Blvd., **Amarillo**. Cost: \$20 at the door. 5 CEUs. More info: Rick Auckerman, Deaf Smith County CEA-AG/NR, (806) 364-3573.

**February 11-12** – No-Till Texas Soil Health Symposium, Overton Hotel & Conference Center, 2322 Mac Davis Lane, Lubbock. 8 a.m. both days. More info: <https://www.no-tilltexas.com>

**February 14, March 13, April 10, and May 8** – Auxin Certification Training, 9 a.m., Texas A&M AgriLife Research & Extension Center, 1102 E. FM 1294, **Lubbock**. One CEU in Laws & Regs. More info: (806) 746-6101, [pete.dotrav@agnet.tamu.edu](mailto:pete.dotrav@agnet.tamu.edu)

To add your conference to this list, please email [maryjane@plainscotton.org](mailto:maryjane@plainscotton.org).

PCG has a NEW website!

[www.plainscotton.org](http://www.plainscotton.org)

We'd love to hear your feedback!

### NCC Encourages Growers to Respond to Planting Survey

December 2019

From the National Cotton Council

U.S. cotton producers are encouraged to respond to the NCC's annual survey of 2020 planting intentions, which was recently distributed to upland and extra-long staple (ELS) cotton producers across the Cotton Belt.

The current survey's questionnaire was distributed through a combination of regular mail and email. Producers who did not receive a questionnaire may contact the NCC by email at [ecnsurvey@cotton.org](mailto:ecnsurvey@cotton.org) for instructions.

The survey, conducted each year to aid with industry planning and policy deliberations, provides the basis for the economic outlook presented to delegates during the NCC Annual Meeting in early February. Survey results will be presented during the Joint Meeting of Program Committees on Saturday morning, February 15. To enhance the survey's accuracy, producers are encouraged to respond by the January 16 deadline.

Editor's Note:

"Cotton News", a weekly service of Plains Cotton Growers to the cotton industry and news media in the 41-county High Plains area, is mailed from Lubbock each Friday. Its contents are confined to news items and comments pertaining to the High Plains cotton industry which is so vital to U.S. all. Anyone interested in making comments about the contents of this column can call 806-792-4904 or Email PCG at: [editor@plainscotton.org](mailto:editor@plainscotton.org)