CASES, REGULATIONS AND STATUTES

by Robert P. Achenbach, Jr

ADVERSE POSSESSION

DRIVEWAY. The disputed property consisted of a driveway which provided access to the plaintiff's farm from a public highway. A fence existed along the driveway until the defendant neighbor tore it down and placed a boulder in the driveway to prevent passage. The plaintiffs filed a petition to quiet title by adverse possession. The evidence showed that for over 35 years, the plaintiffs or the previous owners exclusively used the driveway as access to the farm, maintained the gravel and constructed and maintained the cattle guard on the driveway. The court held that the plaintiff's predecessors in interest had acquired title to the driveway by adverse possession for more than 10 years; therefore, the plaintiffs had title to the driveway. **Bowles v. McKeon, 2007 Mo. App. LEXIS 529 (Mo. Ct. App. 2007)**.

BANKRUPTCY

FEDERAL TAXATION

DISCHARGE. The debtor was an attorney and failed to file tax returns and pay taxes for 1994 through 1998. The IRS prepared substitute returns for those years. The debtor filed for Chapter 7 in 1999 and filed returns for 1994 through 1997 based on estimated income and expenses. The debtor claimed that the supporting documents were no longer available. The IRS filed a Notice of Deficiency in 2002 and the debtor filed a petition in the Tax Court challenging the deficiency. The bankruptcy case was concluded as a no asset case and the IRS did not file any claims in that case. The debtor claimed that the taxes were discharged in the bankruptcy case but the Bankruptcy Court ruled that the taxes were not discharged. The appellate court upheld the ruling, holding that the taxes were nondischargeable under Section 523(a)(1)(A) because the taxes were still assessable after the bankruptcy case because of the pending Tax Court case involving the amount of the deficiency involved. ***In re* Hosack, 2007-1 U.S. Tax Cas. (CCH) ¶ 50,474 (N.D. Tex. 2007)**.

FEDERAL AGRICULTURAL PROGRAMS

CROP INSURANCE. The FCIC has adopted as final amendments to the common crop insurance regulations, mint crop insurance provisions, to convert the mint pilot crop insurance program to a permanent insurance program for the 2008 and succeeding crop years. **72 Fed. Reg. 24523 (May 3, 2007)**.

SOYBEANS. The GIPSA has announced that it is initiating a review of the United States Standards for Soybeans to determine their effectiveness and responsiveness to current grain industry needs. Numerous changes have occurred in the breeding and production practices of soybeans as well as in the technology used to harvest, process, and test soybeans, and in the marketing practices of soybeans. In order to ensure that the standards and subsequent grading practices remain relevant, GIPSA is inviting interested persons to submit comments and supporting information to assist in the evaluation of current standards and grading practices for soybeans and in the development of any recommendations for change. **72 Fed. Reg. 23775 (May 1, 2007)**.

FEDERAL ESTATE AND GIFT TAXATION

GENERATION-SKIPPING TRANSFERS. A trust was established by the decedent prior to September 25, 1985, which provided for the trust to exist for 21 years after the death of the decedent, at which time the trust terminated and the trust corpus passed to the heirs of the decedent's children. The heirs disagreed as to the intended distribution and petitioned a state court for interpretation of the trust language. The state court made a determination of each grandchild's and great-grandchild's share of the trust. The heirs then petitioned for a division of the trust into 19 separate trusts, representing each heir's interest in the trust as determined by the prior court ruling. The IRS ruled that the division of the trust did not result in the trust becoming subject to GSTT. **Ltr. Rul. 200717001, Dec. 20, 2006**.

A trust was established by the decedent prior to September 25, 1985, which provided that when the trust terminated, the trust corpus passed to the decedent's three children and their heirs. After the death of the decedent, the children petitioned for a division of the trust into 3 separate trusts, representing each heir's interest in the trust. The IRS ruled that the division of the trust did not result in the trust becoming subject to GSTT. **Ltr. Rul. 200717007, Jan. 11, 2007**.

A trust was established by the decedent prior to September 25, 1985, which provided that when the trust terminated, the trust corpus passed to the decedent's three children. The heirs disagreed as to the intended distribution of the trust and petitioned a state court for interpretation of the trust language. The state court approved a settlement of each child's and grandchild's share of the trust. The heirs then petitioned for a division of the trust into seven separate trusts, representing each heir's interest in the trust as determined by the settlement. The IRS ruled that the division of the trust did not result in the trust becoming subject to GSTT. **Ltr. Rul. 200716019, Dec. 12, 2006**.

TRANSFERS WITH RETAINED INTERESTS. The decedent had a substantial estate and had granted a power of attorney to one daughter when the decedent became ill. As part of an estate tax reducing plan, the family decided to form a family limited partnership and have the decedent give inter vivos gifts of the decedent's partnership interests. Although some transfer of assets and gifts occurred at the beginning of the partnership, most of the transfers and gifts occurred just before the decedent died and when the daughter knew the decedent was near death. The IRS claimed that the property transferred pre-death to the partnership and gifted to the heirs was included in the decedent's estate because the decedent did not transfer the property for adequate consideration and retained control over the property. The court noted that the parties did not respect the formalities of the partnership in failing to transfer property to the partnership until the decedent's death was imminent and the partnership did not contribute to the cost of maintaining the property transferred. The court held that the parties had an implied agreement that the decedent would not lose control over the decedent's property after formation of the partnership. The court also held that the transfer of property was not for adequate consideration because the partnership had no significant non-tax purpose since management of the assets did not change and the assets were primarily passive investments needing little additional management after the transfers. The court held that the property transferred to the family limited partnership was included in the decedent's estate. **Estate of Erickson v. Comm'r, T.C. Memo. 2007-107**.

FEDERAL INCOME TAXATION

ACCOUNTING METHOD. The IRS has issued guidance clarifying that an accrual method bank with a reasonable expectancy of receiving future payments on a loan must include accrued interest in gross income for the tax year in which the right to receive the interest becomes fixed, notwithstanding bank regulatory rules that prevent accrual of the interest for regulatory purposes. The ruling also provides guidance regarding the period in which a bank that has elected the conformity method of accounting under Treas. Reg. § 1.166-2(d)(3) can treat uncollected interest as worthless. **Rev. Rul. 2007-32, I.R.B. 2007-21**.

The IRS has set forth the exclusive procedure under which a bank may change its method of accounting for uncollected interest to an elective safe harbor accounting method based on the bank's collection experience. The safe harbor applies to a bank (as defined in Treas. Reg. § 1.166-2(d)(4)(i)) that uses an accrual accounting method for federal income tax purposes, is subject to supervision by federal or certain state authorities, and has uncollected interest (but not interest described in Treas. Reg. § 1.446-2(a)(2)). **Rev. Proc. 2007-33, I.R.B. 2007-21**.

ALTERNATIVE FUEL VEHICLE REFUELING PROPERTY CREDIT. The IRS has issued interim guidance with respect to the new qualified alternative fuel vehicle (QAFV) refueling property credit under I.R.C. § 30C. The credit was added by the Energy Tax Incentives Act of 2005 (Pub. L. No.109-58). The guidance is effective for the period that the credit is effective, that is, for property placed in service as QAFV refueling property after December 31, 2005, and on or before December 31, 2009 (December 31, 2014, in the case of property relating to hydrogen). The guidance provides a set of definitions for terms used in I.R.C. § 30C, as well as cross-references to existing regulations for defining concepts, such as "placed in service." The guidance also provides rules for the computation of the credit and for the treatment of converted and dual-use property, as well as examples to illustrate the rules. **Notice 2007-43, I.R.B. 2007-22**.

ANNUITY. The taxpayer, an individual, owned a non-qualified annuity contract issued by a life insurance company. In 2007, the taxpayer requested that life insurance company issue directly to another life insurance company, a check as consideration for a new annuity contract to be issued by the second life insurance company. The taxpayer intended the transaction to be treated as a tax-free exchange under I.R.C. § 1035. The original life insurance company refused to do so and, instead, issued a check to the taxpayer. The taxpayer did not deposit the check, but instead endorsed it to the second life insurance company as consideration for a new annuity contract. The IRS ruled that the transaction did not qualify for tax-free exchange treatment but was taxable under I.R.C. § 72(e). **Rev. Rul. 2007-24, I.R.B. 2007-21**.

BUSINESS EXPENSES. The taxpayer was employed full time as an IRS agent but also owned and operated a cleaning business on weekends and holidays. The taxpayer claimed business expenses for depreciation, car and truck use, interest, meals and entertainment, travel and miscellaneous other business costs and expense method depreciation for one of the vehicles. The expense method depreciation for the vehicle was denied because the taxpayer failed to provide substantiation for the claim that the vehicle was used more than 50 percent for business purposes. The written records of the vehicle's use did not indicate the purpose of the use or the distance covered. The court also disallowed most of the travel, entertainment and meal expenses for lack of substantiation because the taxpayer's records did not state the business purpose of the expenses. The remaining expense deductions were disallowed because the taxpayer failed to provide proof of payment or proof that the expenses were incurred in connection with the cleaning business. **Trimble-Gee v. Comm'r, T.C. Summary Op. 2007-68**.

The taxpayer was a limited liability company which claimed deductions for marketing expenses, professional fees and other startup expenses. The deductions were disallowed and the taxpayer presented only summaries of the expenses as evidence to support the nature and amount of the expenses. The court upheld the IRS disallowance of the deductions for lack of substantiation and because the taxpayer failed to provide evidence that most of the expenses were actually paid. **In Touch Properties v. Comm'r, T.C. Memo. 2007-105**.

COOPERATIVES. The taxpayer was a rural electric cooperative which decided to expand its operations to offer its member customers natural gas utility services in a separate division of the cooperative. The IRS ruled that the sale of the natural gas using the local distribution facilities of other utilities was a "like organization" to the current business of the cooperative and would not cause the cooperative to lose its I.R.C. § 501(c) tax-exempt status. **Ltr. Rul. 200717020, Jan. 30, 2007**.

COURT AWARDS AND SETTLEMENTS. The taxpayer sued an employer for sex, race and retaliation discrimination. The parties reached a settlement under which the taxpayer received money in compensation for "alleged emotional distress." The taxpayer received treatment for anxiety disorder more than a year after the settlement. The court held that the settlement proceeds were included in taxable income because the law suit petition made no mention of any physical harm to the taxpayer, the settlement did not list any compensation for physical harm to the taxpayer and emotional distress was not a physical injury for purposes of I.R.C. § 104(a). The court noted that, although the taxpayer did receive some medical treatment after the settlement, the taxpayer did not provide any evidence that the medical condition was associated with the discrimination alleged in the law suit. **Connolly v. Comm'r, T.C. Memo. 2007-98**.

DEDUCTIONS. The taxpayer claimed various deductions for medical expenses, taxes, interest and contributions. The taxpayer did not have any substantiation for the deductions and essentially conceded that the deduction claims were false. The taxpayer argued that the tax return was filed by Economy Income Tax Services which had defrauded many taxpayers; therefore, because the IRS was complicit in permitting EITS to prepare returns while under investigation, the taxpayer should not be penalized for the errors. The court noted that there is no provision for relief from taxes due to the dishonesty of tax return preparers; therefore, the deductions were properly disallowed. **Mackey v. Comm'r, T.C. Summary Op. 2007-61**.

DEPENDENTS. The IRS has issued proposed regulations relating to a claim that a child is a dependent by parents who are divorced, legally separated under a decree of separate maintenance, separated under a written separation agreement, or who live apart at all times during the last six months of the calendar year. The proposed regulations reflect amendments under the Working Families Tax Relief Act of 2004 and the Gulf Opportunity Zone Act of 2005 (GOZA). Under I.R.C. § 152(e)(1), as amended by GOZA, a child of parents described in I.R.C. § 152(e) is treated as the qualifying child or qualifying relative of the noncustodial parent if the child receives over one-half of the child's support during the calendar year from the child's parents, the child is in the custody of one or both of the child's parents for more than one-half of the calendar year, and the requirements of I.R.C. §§ 152(e)(2) or 152(e)(3) are met. **72 Fed. Reg. 24192 (May 2, 2007)**.

DISASTER LOSSES. On April 20, 2007, the president determined that certain areas in Maine are eligible for assistance from the government under the Disaster Relief and Emergency Assistance Act (42 U.S.C. § 5121) as a result of flooding, which began on March 16, 2007. **FEMA-1691-DR.** On April 2, 2007, the president determined that certain areas in New York are eligible for assistance from the government under the Act as a result of severe storms and flooding, which began on April 15, 2007. **FEMA-1692-DR.** On April 25, 2007, the president determined that certain areas in Maine are eligible for assistance from the government under the Act as a result of severe storms and flooding, which began on April 15, 2007. **FEMA-1693-DR.** Taxpayers who sustained losses attributable to these disasters may deduct the losses on their 2006 returns.

DOMESTIC PRODUCTION DEDUCTION. The IRS has ruled that the extraction and processing of minerals is a domestic production activity as defined in Treas. Reg. § 1.199-9(i)(2)(iii) and Temp. Treas. Reg. § 1.199-3T(i)(7)(ii)(C) such that a partnership engaged in such activities will be a qualifying in-kind partnership for purposes of those regulations. **Rev. Rul. 2007-30, I.R.B. 2007-21**.

HYBRID VEHICLE TAX CREDIT. Effective for vehicles placed in service after December 31, 2005, an alternative motor vehicle credit is allowed which is the sum of (1) qualified fuel cell motor vehicle credit, (2) advanced lean burn technology motor vehicle credit, (3) qualified hybrid motor vehicle credit, and (4) qualified alternative fuel motor vehicle credit. I.R.C. § 30B(a). The credit is phased out when a manufacturer sells its 60,000 hybrid vehicle. The IRS has announced that General Motors has not yet sold its 60,000th vehicle; therefore, their certified vehicles remain eligible for the credit. Toyota has reached the 60,000 vehicle limit so the credit is being phased out for Toyota and Lexus certified vehicles. See also Harl, "Additional Items in the Energy Policy Act of 2005, 16 *Agric. L. Dig*. 131 (2005). **IR-2007-95; IR-2007-96**.

IRA. The taxpayer began receiving equal periodic payments from an IRA in 2004. Because of a change in financial status, the taxpayer wanted to recalculate the periodic payments at the beginning of each year. The IRS ruled that an annual recalculation of the periodic payments which changed the amount of the periodic payments would be considered a modification of the payments and subject the increased payment amount to the 10 percent additional tax on premature distributions. **Ltr. Rul. 200716032, Jan. 23, 2007**.

The IRS has adopted as final regulations under I.R.C. §§ 401(k), 402(g), 402A, and 408A relating to designated Roth accounts. The final regulations provide guidance concerning the taxation of distributions from designated Roth accounts under qualified cash or deferred arrangements under I.R.C. § 401(k). These final regulations will affect administrators of, employers maintaining, participants in, and beneficiaries of I.R.C. § 401(k) and I.R.C. § 403(b) plans, as well as owners and beneficiaries of Roth IRAs and trustees of Roth IRAs. **72 Fed. Reg. 21103 (April 30, 2007)**.

LEGAL FEES. The taxpayer was employed full time as a sales representative. The taxpayer filed a Schedule C for a computer consulting business and included a deduction for legal fees incurred when the taxpayer hired an attorney to represent the taxpayer against a criminal charge of grand larceny theft of computer equipment from a retail store. The taxpayer did not present any evidence to support the claim of a computer consulting business other than testimony that the taxpayer was trying to start such a business. The court held that the deduction for legal fees was properly disallowed because the taxpayer failed to demonstrate that the criminal charge was related to a trade or business of the taxpayer. **Benson v. Comm'r, T.C. Memo. 2007-113**.

The taxpayer had sued an employer for sexual harassment and discrimination but the case was dismissed. The taxpayer's attorney continued to attempt to seek damages from the employer but no recovery was ever obtained. The taxpayer claimed a miscellaneous deduction for legal fees but failed to provide any written evidence to support any payment of legal fees. The court disallowed the deduction for legal fee for lack of substantiation. **Holmes v. Comm'r, T.C. Memo. 2007-97**.

MEDICAL SAVINGS ACCOUNTS. The IRS has issued revised procedures for electronic filing of Form 8851, Summary of Archer MSAs. **Rev. Proc. 2007-29, 2007-1 C.B. 1004, *superseding*, Rev. Proc. 2001-31, 2001-1 C.B. 1170**.

PENSION PLANS. For plans beginning in April 2007 for purposes of determining the full funding limitation under I.R.C. § 412(c)(7), the 30-year Treasury securities rate for this period is 4.72

percent, the corporate bond weighted average is 5.80 percent, and the 90 percent to 100 percent permissible range is 5.22 percent to 5.80 percent. **Notice 2007-32, 2007-1 C.B. 996**.

S CORPORATIONS

DEPRECIATION. The taxpayer S corporation used a tax professional for advice as to whether to claim additional first year depreciation on eligible property in two tax years. The tax professional advised against claiming the additional depreciation deduction because the tax professional thought that the taxpayer did not have any taxable income in those years. After the returns were filed, the tax professional discovered that the tax returns were improperly filed and that taxable income was under reported. The taxpayer requested an extension of time to file amended returns claiming the additional first year depreciation deductions. The IRS granted the extension. **Ltr. Rul. 200717008, Jan. 4, 2007**.

TAX PRACTITIONERS. The IRS has issued guidance regarding the imposition of monetary penalties for prohibited conduct under section 10.52 of Circular 230. The American Jobs Creation Act of 2004 (Pub. L. No. 108-357) amended 31 U.S.C. § 330 (which authorizes the regulation of practice before the IRS) to allow for monetary penalties to be imposed on a practitioner who: (1) is incompetent, (2) is disreputable, (3) violates regulations under 31 U.S.C. § 330, or (4) willfully and knowingly misleads or threatens represented parties or a prospective party with an intent to defraud. Regulations under 31 U.S.C. § 330 are promulgated in 31 C.F.R. Part 10, and are more commonly known in their reprinted form, Circular 230. In determining the amount of the penalty, the IRS will consider: (1) the level of culpability of the practitioner, firm, or other entity; (2) whether the practitioner, firm or other entity violated a duty owed to a client or prospective client; (3) the actual or potential injury caused by the prohibited conduct; and (4) the existence of aggravating or mitigating factors. Guidance and examples are provided regarding the amount of the penalty and the imposition of the penalty on an employer or firm of the practitioner. **Notice 2007-39, I.R.B. 2007-20**.

The taxpayer was a CPA who prepared tax returns for clients in California and Nebraska. The court listed a great number of alleged practices of the taxpayer in preparing returns which understated income and overstated deductions for clients, including the formation of corporations under which professionals would assign their income in an attempt to avoid payment of tax on wages and other income. The court granted a preliminary injunction against the taxpayer from acting as an income tax return preparer. **United States v. Baisden, 2007-1 U.S. Tax Cas. (CCH) ¶ 50,432 (E.D. Calif. 2007)**.

TAX SHELTERS. The taxpayer invested in a cattle breeding partnership which was marketed and operated as a tax shelter. The taxpayer did little research into the partnership and did not seek professional tax advice as to the legitimacy of the tax claims made by the partnership promoter. The taxpayer's tax deductions from the partnership were disallowed and the taxpayer was assessed accuracy-related penalties. The taxpayer argued that the penalties should not be imposed because of a mistake of fact and the fraudulent claims of the partnership promoter. The court held that the the penalties were properly applied because the taxpayer failed to take any reasonable steps to verify the promoter's claims, especially since the taxpayer was not experienced at investing, cattle breeding or tax matters. **McDonough v. Comm'r, T.C. Memo. 2007-101**.

TRAVEL EXPENSES. The taxpayers, husband and wife, lived in a trailer which was transported from job site to job site where the husband was assigned to various projects for an employer. The taxpayers used a mail service in Nevada for delivery of mail. The taxpayers claimed residence in California based on a house in California owned in part by the husband and the husband's siblings, but lived in only by the husband's disabled sister. The husband contributed to the housing costs for the sister but did not use the house as a personal residence or mail address. Although the court sympathized with the taxpayers that their costs of the California home were generous for the sister, the court held that the taxpayers had no permanent tax home, the trailer was their tax home wherever he was stationed, and the taxpayers could not deduct the costs of living in the trailer as travel expenses. **Ayala v. Comm'r, T.C. Summary Op. 2007-60**.

The taxpayer was a truck driver for a company which assigned the taxpayer to several projects around the country over the tax year. The taxpayer used a family home for storing possessions and for occasional housing between projects, but the taxpayer used a mailing service in Nevada to receive and forward mail while on projects. The taxpayer did not contribute to the costs of the family home, was not registered to vote in any state, kept no bank accounts and received credit card bills through the taxpayer's father's address. The court held that the taxpayer did not have a permanent tax home; therefore, the taxpayer could not claim travel expenses associated with employment. **Ayala v. Comm'r, T.C. Summary Op. 2007-59**.

PROBATE

LIFE ESTATE. The decedent's will provided the following bequest: "All the rest, residue and remainder of my property of every kind or nature, I GIVE, DEVISE AND BEQUEATH unto my two daughters, Gertrude Holmes and Kathryn Reed, to have and to hold share and share alike provided however that 'The Farm' adjacent to the extension of the Blackwell Nursery Road consisting of approximately three hundred acres *shall not be sold during the terms of their natural lives and twenty-one years thereafter*. *Upon their deaths, title to 'The Farm' shall vest in the heirs of their bodies per stirpes*, but not to be sold or otherwise disposed of for a period of twenty-one years succeeding the death of the survivor of my two daughters." (emphasis provided by the court). The trial court held that the bequest granted the property in fee simple to the daughters and that the restriction on the sale of the farm was unlawful. On appeal the court found that the italicized language demonstrated the decedent intent to create a remainder interest in the heirs of the daughters; therefore, the bequest passed only a life estate in the property to the daughters. **Barnett v. Reed, 2007 Ala. LEXIS 50 (Ala. 2007)**.

PRODUCT LIABILITY

MULE BOY. As described by the court, a mule boy is a tractor-pulled implement which receives cotton from a cotton picker for transport to other cotton processing machinery in the field. The plaintiff was injured while attempting to determine the source of a noise in the mule boy while it was running. The plaintiff lost his balance and fell into exposed moving chains on the mule boy. The plaintiff sued the machine and farm owner and the manufacturer of the mule boy for failure to warn, defective design, failure to provide a safe workplace and failure adequately to instruct the plaintiff. The trial court dismissed all the claims based on a finding that the plaintiff assumed the risk of voluntarily attempting to inspect the mule boy while the implement was running. The appellate court affirmed, holding that the defense of assumption of risk was a complete defense to the claims of the plaintiff. **Green v. Allendale Planting Co., 2007 Miss. LEXIS 232 (Miss. 2007)**.

PROPERTY

PUBLIC ROAD. The plaintiffs purchased a ranch which was land-locked except for access over a private road which crossed tribal and federal lands. When the tribal land owners objected to the plaintiffs' use of the road, the plaintiffs sought approval of a private road over other land. The county rejected the request based on the existence of a public road which provided access to the ranch. The plaintiffs appealed the decision to the district court which reversed the county's determination that a public road existed as access, arguing that no public right-of-way existed for the cited road over tribal and federal lands. The court found that the road was not open to the general public under tribal or federal rules; therefore, the court held that the road was a private road and the plaintiffs were eligible to petition the county for approval of an alternate private road to provide access to a public road. The court noted that the plaintiffs were not required to first seek a right-of-way from the private road owners before petitioning for an alternate private road. **Pine Bar Ranch, LLC v. Luther, 152 P.3d 1062 (Wyo. 2007)**.

IN THE NEWS

FARM LOANS. Citing the potential for genetic contamination, U.S. District Court Judge Charles Breyer, Northern District of California, on May 3, 2007, let stand a ban on further planting of Roundup Ready alfalfa, a genetically modified variety of the crop developed by Monsanto Co. The order said an injunction against planting more of the herbicide-resistant alfalfa should stay in place until government studies on its environmental effects are concluded. Judge Breyer had issued a preliminary injunction in March 2007, faulting U.S. regulators for choosing to not prepare an environmental impact statement before deregulating alfalfa genetically engineered to resist the herbicide Roundup, a Monsanto product. That marked the first time a federal court overturned USDA approval of a biotech seed and halted planting, according to the Center for Food Safety. While Breyer capped the number of acres of Roundup Ready alfalfa under cultivation, he declined to stop the harvesting and sale of Roundup Ready alfalfa seed that already has been planted. To minimize the risk of "genetic flow" between the genetically engineered alfalfa in the ground and conventional and organic alfalfa crops, Breyer ordered that pollinators not be added to Roundup Ready alfalfa fields grown only for hay production. He also ordered gear used in production of Roundup Ready alfalfa to be properly cleaned after use and for the alfalfa to be clearly identified to minimize mixing after harvest. **CCNMoney.com May 3, 2007**.

Agricultural Law Press
P.O. Box 50703 Eugene, OR 97405

AGRICULTURAL TAX SEMINARS

by Neil E. Harl

May 17-18, 2007   Interstate Holiday Inn, Grand Island, NE

There is still time to join us for expert and practical seminars on the essential aspects of agricultural tax and law. Gain insight and understanding from the nation's top agricultural tax and law instructor.

The seminars will be held on Thursday, and Friday from 8:00 am to 5:00 pm. Registrants may attend one or both days, with separate pricing for each combination. On Thursday, Dr. Harl will speak about farm and ranch income tax. On Friday, Dr. Harl will cover farm and ranch estate and business planning. Your registration fee includes comprehensive annotated seminar materials for the days attended and lunch.

The seminar registration fees for *current subscribers* to the *Agricultural Law Digest*, the *Agricultural Law Manual*, or *Principles of Agricultural Law* (and for each one of multiple registrations from one firm) are $185 (one day) and $360 (two days).

The registration fees for *nonsubscribers* are $200 (one day) and $390 (two days). respectively.

Late registrations will be accepted up to the day before each seminar, although we cannot guarantee that a seminar book will be available at the seminar (we will send you a copy after the seminars). Please call to alert us of your late registration and fax your late registrations to 541-302-1958. Full information is available online at http://www.agrilawpress.com Contact Robert Achenbach at 541-302-1958, e-mail Robert@agrilawpress.com

* * * * *

SELECTED ISSUES IN FARM TAXATION

By Roger A. McEowen

June 11-12, 2007   Grand Ely Lodge, Ely, MN

The seminar is designed to provide attendees with a comprehensive and practical understanding of major agricultural income tax issues. In addition, the speaker is open to questions and responses from the attendees. Registrants may attend one or both days, with separate pricing for each combination. Your registration fee includes a comprehensive, annotated manual that will be updated just before the seminar. Break refreshments are included in the registration fee. NOTE: Register early due to space availability. Registration is limited to 70 participants.

The seminars are held on Monday from 1:00 am to 5:00 pm, and Tuesday from 8:00 am to noon. Registrants may attend one or both days. On Monday, Professor McEowen will speak about farm and ranch income tax. On Tuesday, Professor McEowen will cover farm and ranch estate and business planning. Your registration fee includes comprehensive annotated seminar materials for the days attended.

The seminar registration fees are $90 (one day) and $150 (two days). After February 28, 2007, the registration fees are $125 (one day) and $200 (two days). respectively.

These seminars are sponsored by Iowa State University. Full information is available online at www.extension.iastate.edu/agdm/wdlegalandtaxes.HTML. Contact Paula Beckman, Agricultural Law, Iowa State University, 206 Curtiss Hall, Ames, IA 50011-1050 Tel: 515-294-6924 Fax: 515-294-0700 E-mail: pbeckman@iastate.edu