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News Release

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Farm Financial Planning Available
The farm financial planning program provided by Iowa State University Extension allows farmers to evaluate changes in their operations. The program, which has attracted farmers for more than 25 years has associates throughout Iowa.

Farm financial associates meet with farmers in one-on-one counseling sessions using a computerized model to evaluate their farm businesses and determine if any changes are desirable. Associates are knowledgeable beyond the computer program and know other sources of information to aid in the decision making.

Farmers generally use the system either when they are considering expansion or when under financial stress, according to Mike Duffy, ISU Extension farm financial planning program director. “The advantage of working with ISU is that we are a neutral, third party that is only interested in the farm family making the best decision.”

Charles Morine, an employee since 1985 and an adviser of the Northeast Iowa counties, retired on June 30. Other associates have been named to serve that area. “Chuck is one of the most conscientious people I have met,” said Duffy. “His retirement will leave a hole in the program, not just for the people of Northeast Iowa, but the program statewide.”

The program divides the counties of Iowa into nine areas, each with a financial planner contact. Farm Financial Planning is a program of the Beginning Farmer Center. To learn more about the program visit the farm financial planning website at www.extension.iastate.edu/farmanalysis or contact your local ISU Extension office.

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Plan Now for Sales Tax Holiday and Back-to-school

Moving through the month of July makes it clear summer is ticking by – and hopefully reminds us to make the most of the summer days that remain! With August nearing, it can be a prompt to start thinking about back-to-school planning! There's no need to shift into high gear yet, but planning ahead is always beneficial.

In Iowa, as well as other states, has an annual Sales Tax Holiday – two days in which no sales tax is charged on most purchases of clothing. The 2010 Iowa Sales Tax Holiday is scheduled for Friday and Saturday, August 6 & 7.

On those two days, most ordinary clothing items priced under $100 qualify for the sales tax exemption – not just for school children but for all family members. Many retailers offer sale prices that weekend as well, increasing your total savings. For all the details, check out the official website: http://www.iowa.gov/tax/educate/holiday1.html

In the weeks between now and August 6-7, you can prepare in two key ways. First, identify what items you might need and want to purchase. Second, start saving money for those purchases. If you don't save, then you may end up using credit. Use of credit can turn a “bargain” into a bank-breaker, with interest charges adding up to much more than the 7% or so that you saved on sales tax.

As you plan and save, be sure to consider other back-to-school spending needs if you have school-age children, including school registration fees, school supplies, haircuts, and more. Planning ahead helps you avoid being put in the difficult position of having to choose between paying the bills and buying the needed school supplies.

Keep in mind: the Sales Tax Holiday is a great way to save a bit – but it's not a reason to buy items that are not important. Although sales tax rates vary by locality in Iowa, most are around 7%. If you buy $200 worth of clothing, you will save $14. That's a nice bonus, but it's not a reason to buy everything in sight.

For more personal finance information, check out Iowa State University Extension’s resources at www.extension.iastate.edu/finances/. With specific questions, you may contact your local ISU Extension Family Resource Management Specialist, Erin Ludwig at 641-394-2174 or eludwig@iastate.edu.

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School Expenses May Qualify for Tax Credit

The new school year us almost here and families with school-aged children are paying school registration fees and starting to buy school supplies.

“Save those receipts!” advises Erin Ludwig, ISU Extension Family Resource Management Specialist. “The State of Iowa offers an income tax credit equal to 25% of your costs for qualified K-12 education expenses.”

Examples of qualifying expenses include school registration fees, required school supplies, and fees for extra-curricular activities. The expenses must be related to coursework and activities at an accredited
school. Driver’s education fees qualify if they are paid to the school. Expenses that do not qualify include: school lunches, transportation, and clothing for everyday wear.

The tax credit is limited to $250 for each school-aged child, so qualifying expenses up to $1,000 per child can be included. Ludwig acknowledges that “the typical elementary-aged child in public school is more likely to have expenses of around $100,” but adds that if a family has two children, each with school-related expenses of $100, then the family will be eligible for a $50 tax credit. The simple task of keeping track of school expenses will add $50 to their tax refund.

“Most families will find that it’s worth the effort involved. I don’t know very many people who would walk right past a $50 bill they found on the sidewalk!” quips Ludwig. She adds that as students move into high school, many will have larger school-related expenses, making the tax credit even more valuable to their families.

Ludwig points out that there are some fine distinctions between expenses that qualify for the tax credit and those that do not. For example, required clothing for extra-curricular activities can also be included, if it is not suitable for wearing elsewhere. With that in mind, football shoes qualify for the credit because the cleats make them inappropriate for anything other than football. However, basketball shoes can be worn elsewhere, so they do not qualify.

For more information about the tax credit, and which expenses qualify, visit www.extension.iastate.edu/winneshiek for a fact sheet that describes the details.

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**News Release**

Contact: Jennifer Bentley, ISU Extension dairy specialist, jbentley@iastate.edu
Teresa Wiemerslage, ISU Extension program coordinator, wiemer@iastate.edu

**Pasture Walk at Gesing Farm on August 4**
WAUKON – The use of alternative forages will be featured at the next Northeast Iowa Graziers Pasture Walk on Wednesday, August 4 at the Merlin Gesing farm near Waukon.

The organic dairy operation has a six year old stand of ryegrass and Alice white clover. Participants will evaluate the decision to renovate the stand or to reseed. Other forages species can also be viewed including reed canary-grass, kura clover and satin orchardgrass.

The walk will run from 1:00-3:00 pm and is open to grass-based farmers or “grazers” of all species and at all levels. The Gesing Farm is located at 835 McCabe Drive. From the Jct of Hwy 9 & Hwy 76 (just south of Waukon), go south on Breezy Corner Rd. 1.5 miles, then 1/2 mile east on McCabe Dr.

The Northeast Iowa Graziers plan monthly walks to local farms to help producers learn how better pasture management can result in both healthier profits and a healthier environment. The walks are organized by area graziers and supported by Iowa State University Extension, Natural Resource Conservation Service and the Northeast Iowa Community Based Dairy Foundation.

The next local walk is scheduled for August 17 at the Vance and Bonnie Haugen Farm near Canton, MN where they will talk about managing the summer grazing slump.

For more information about the 2010 Pasture Walks, contact Jennifer Bentley, ISU Extension Dairy Specialist at 563-382-2949 or jbentley@iastate.edu.

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Other Releases

Hay Storage Cost Analyzer Available
Hay producers have a new tool from Iowa State University's Ag Decision Maker to help analyze storage method alternatives.

Clear Your Bins and Donate Grain to Benefit Iowa 4-H
Wondering what to do with last year’s grain as this year’s harvest season approaches? Donate it to the Iowa 4-H Youth Development program and make a difference in the lives of Iowa’s young people.

Ask the ISU Garden Experts About: Zucchini Rot, Grass Spiders and Iris Borers
Why are zucchini squash turning brown, what to do about webs in the lawn and how to control iris borer are questions answered this week by the experts.

Iowa State Research Farm Reports Available Online
A variety of Iowa State research is conducted at 12 Iowa research farms that is of interest to crop, livestock, horticulture and organic producers as well as turfgrass managers, home gardeners and grape growers. Annual reports of that research are now available online.

Iowa State University Extension news releases are available on the World Wide Web at http://www.extension.iastate.edu/news/.

This information has been sent to you by Teresa Wiemerslage, Regional Communications Coordinator for Region 4 ISU Extension, wiemer@iastate.edu, 563-794-0599.

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