

Strategies For 2008

ELDON COLE



MT. VERNON, MO.

Surely you've read or heard about the Missouri Department of Agriculture's Qualified Beef Tax Credit Program for the fiscal year beginning July 1, 2008.

To qualify, you first apply, no later than August 1, 2008 through the Missouri Agricultural and Small Business Development Authority or visit the MDA's web site at www.mda.mo.gov to find the guidelines and application form. The application fee is \$50.

Eligibility for the ten cent per pound incentive in the form of a Missouri tax credit requires that you must have sale weights on your cattle that are 200 pounds or greater than the baseline weight. The base weight is the average weight the last three years of beef animals sold that are

30 months of age or younger, sorted by sex.

The baseline is established from scale tickets or sale receipts and year-end financial statements. If you have less than 3 years records, averages can be used based on sales from your geographical area of the state. Eligible cattle will be those born after August 28, 2008.

You may not find the tax credit workable for you, but just adding some weight to your feeder calves appears to be sensible at this time. Our plentiful rains and cool growing season should provide more forage which will allow your weaned calves to gain. Some concentrates may be needed to support 2 pounds per day gain.

The current markets indicate that if you can add an extra 100 pounds of market weight per head for under \$75 per cwt, it will pay. This trend likely will continue so watch your costs and the price received for the extra gain. Δ

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