CFAES

OHIO STATE UNIVERSITY EXTENSION

COSHOCTON COUNTY AGRICULTURE & NATURAL RESOURCES

August 3 (Edition #158)

Coshocton County Extension
724 South 7th Street, Room 110
Coshocton, Ohio 43812
Phone: 740-622-2265
Fax: 740-622-2197
Email: marrison.2@osu.edu
Web: http://coshocton.osu.edu

Hello Coshocton County! Welcome to the month of August. I don't know where the summer has gone. In fact, there are only 150 days left in 2022! As we move into August, we start to count the number of foggy mornings to predict the snowstorms for the upcoming winter (as the old folklore shares).

August also brings us First FARM Friday and we hope to see you this Friday, August 5 on Main Street in Coshocton from 5:00 to 7:00 p.m. for this year's event. Upon the conclusion of the event, you are encouraged to stay and enjoy the music of Ernest who will be performing starting at 8:00 p.m. for the Coshocton Summer Series. It will be a great evening to celebrate agriculture here in Coshocton County! I know all of our ag organizations are excited to bring you this year's event. Kudos to our Coshocton SWCD for spearheading this event once again.

Congratulations to our all 4-H Youth who have been and will be competing at the Ohio State Fair!

Have a great week!

Sincerely,

David L. Marrison

Coshocton County OSU Extension ANR Educator

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THE OHIO STATE UNIVERSITY
COLLEGE OF FOOD, AGRICULTURAL, AND ENVIRONMENTAL SCIENCES

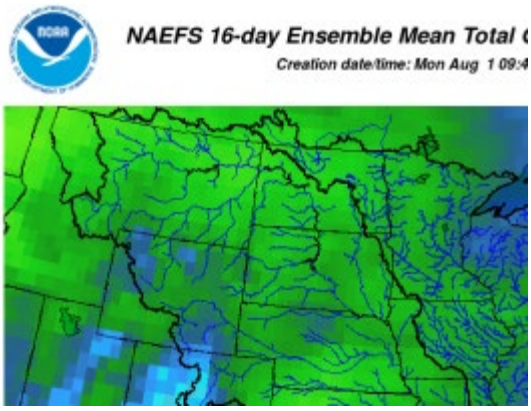
First FARM Friday on August 5

We invite you to attend **First FARM Friday** this Friday, August 5 on Main Street in Coshocton from 5:00 to 7:00 p.m. This event is spearheaded by our friends from the Coshocton Soil & Water Conservation and there will be interactive displays from over 20 different agricultural organizations, agencies and farms.

The goal of First FARM Friday is to be a fun, educational event that helps the general public understand the importance of agriculture in our community and beyond. Visit one of our many displays, climb into farm machinery, and get up close to farm animals. Bring the kids to complete a stamp card and receive a free cup of custard from Whit's Frozen Custard. There is no fee to attend this event and reservations are not needed. Just come down to Main Street on Friday, August 5 from 5:00 to 7:00 p.m. Upon the conclusion of the event, you are encouraged to stay and enjoy the music of Ernest who will be performing starting at 8:00 p.m. for the Coshocton Summer Series. It will be a great evening to celebrate agriculture in Coshocton County!

Warm Weather to Persist into Fall Harvest

By: Jim Noel
Source: https://agcrops.osu.edu/newsletter/corn-newsletter/2022-25/warm-weather-persist-fall-harvest



After a drier June and wetter July, August is shaping up to be the tail of two months with the first half normal to slightly wetter than normal followed by drier for the second half of August. Temperatures are forecast to be above normal but nothing extreme (limited days at or above 95). Going toward the end of growing season and the start of harvest in September, it still looks warmer than normal with below normal rainfall. The warmer and potentially drier patter will likely persist into October as well. It would not be surprising if harvest season gets going in late September again this year. Early indications are the first frost and freezes will either be normal or later than normal much like 2021. Overall, much of the information indicates an August to October period not a lot different than last year thanks in part to our ocean patterns. In the short-term, rainfall in the attached graphic for the first half of August is projected to range from 1-3 inches. This means most places will be normal or slightly above except in those areas that only receive an inch. You can see a comprehensive seasonal outlook on the Ohio River Forecast Center website including autumn and winter anytime at:https://www.weather.gov/ohrfc/SeasonalBriefing

Stink Bugs in Soybean

By: Kelley Tilmon & Andy Michel, OSU Extension
Source: https://agcrops.osu.edu/newsletter/corn-newsletter/2022-25/stink-bugs-soybean

There are many species of stink bugs that feed on soybean including brown marmorated stink bug (BMSB), green, red shouldered, and brown stink bugs. Stink bugs injure soybean in the latter half of the season after flowering by feeding on pods and seeds, resulting in lower yields and reductions in seed quality, the latter being a major concern when soybean is grown for seed or food grade purposes.

Stink bug sweep net threshold levels

Seed usage	Average / 10 sweep set
Food grade or seed	2
Grain	4

Sampling: Begin scouting for stink bugs when the soybean plant reaches the R2 stage (full bloom, when the plant has an open flower at one of the two upper-most nodes on the main stem). Stink bug feeding can cause economic loss from the R3 stage (pod set) to the R6 stage (full seed set). Using a sweep net, sample in at least 5 locations in smaller fields, more in larger fields. Stink bugs tend to be more numerous on field edges so sample hroughout the field for the overall picture. At each location take a set of 10 sweeps, taking a step with each sweep of the vegetation. Count the number of stink bugs captured in your sweep net for each 10 sweep set. All pest stinkbug species, both adults and nymphs, should be counted together. Average your counts per set – thresholds range from an average of 2 to 4 stink bugs per 10-swep set based on intended use.

For more information about stink bug biology, identification, and management visit our new field guide to the Stink Bugs of Ohio Soybean at https://aginsects.osu.edu/sites/aginsects/files/imce/Stink%20bugs%20of%20OH%20field%20guide%20FINAL%202_2_22%20online.pdf

All Puckered Up: Dicamba Drift Reminders

By: Alyssa Essman
Source: https://agcrops.osu.edu/newsletter/corn-newsletter/2022-25/all-puckered-dicamba-drift-reminders

As in years past, we are hearing reports of soybean damage caused by off-target movement of plant growth regulator (PGR) herbicides. Off-target movement can be classified as primary or secondary. Primary herbicide movement takes place at the time of application, also referred to as particle drift. Nozzle type, droplet size, sprayer speed and other management factors affect particle drift, along with wind speed. Particle drift is not influenced by herbicide formulation. Plant injury from primary movement typically has a distinct pattern, often occurring along field edges closest to the treated field and becoming less noticeable farther from the source. Secondary herbicide movement occurs after the time of application and is often used in reference to vapor drift (volatility) or wind erosion. This source of off-target spread is extremely problematic and can be very difficult to predict. There is not always a tell-tale pattern of injury. The growth regulator herbicides 2,4-D and dicamba can be particularly volatile due to their chemical makeup and high vapor pressure. Formulation greatly affects the volatility of 2,4-D. Higher temperatures and lower humidity generally increase the potential for secondary movement of these herbicides. Contamination of shuttles or sprayers with a growth regulator is another source of injury. This can resemble off-target movement but is typically more uniform over the treated area. Injury from growth regulators often appears within 7 to 14 days following an off-target event or contaminated application. Symptoms of PGR (group 4 & 19) herbicide injury include leaf cupping, leaf strapping, epinasty (stem twisting), and plant stunting. Soybean tolerance to sublethal rates of these herbicides varies between the different active ingredients even within the same mode of action classification.

Soybean is extremely sensitive to dicamba, with injury symptoms occurring at rates as low as 1/20,000x of a labeled application rate. The introduction of crops tolerant to dicamba greatly increased use of this herbicide by allowing for POST applications later in the season. Newer dicamba formulations are purported to reduce the risk of secondary movement, but have not eliminated this. In 2021, there were 34 official reports of dicamba injury in Ohio, compared to 28 in 2017 (the first year for legal over the top applications). These reports likely underestimate actual damage to soybean, ornamental, horticultural and residential areas. Most instances of injury from off target movement are not reported. Typical dicamba injury includes leaf cupping with a white or yellow leaf tip and plant stunting, but there can be a wide range of symptoms.

PGR damage can also occur later in the season as a result of other dicamba products used in corn, such as DiFlexx, and Status (dicamba + diflufenzopyr; group 4 + 19). Other PGR's such as clopyralid (group 4; Stinger) or Enlist One/Duo (group 4; 2,4-D) can cause injury similar in appearance. All of these herbicides can cause dicamba-like symptomology when used near sensitive soybean. Soybean sensitivity varies based on herbicide active ingredient. According to research at the University of Illinois, soybean sensitivity to PGR herbicides is as follows: dicamba > dicamba + diflufenzopyr > clopyralid > 2,4-D (see fact sheet #2). The addition of diflufenzopyr does not seem to increase injury to soybean relative to dicamba alone. Clopyralid injury can take place due to residue carryover or off-target movement. Clopyralid has a long half-life in the soil and risk of

injury is increased in years with low rainfall. Typical PGR symptoms can occur following carryover or off-target movement of clopyralid, but injury may be less severe with more rapid recovery, compared with dicamba. Soybean is least sensitive to 2,4-D relative to the other PGR herbicides discussed. Whereas dicamba causes severe leaf cupping, 2,4-D tends to result in more leaf strapping (plant veins parallel) and callus formation on stems. Several years ago, OSU was involved in a multi-state study looking at dicamba and 2,4-D injury at various soybean growth stages. Injury from 2,4-D was occasionally undetectable, and higher rates were necessary to cause similar yield reduction that occurred with lower rates of dicamba (see fact sheet #3). Product and rate used, as well as weather conditions following off-target movement influence damage severity and yield potential.

Some speculation has occurred over the years about other sources that can cause injury that appears to be from PGRs. Leaf malformation (crinkling) can result from postemergence applications of acetochlor (Warrant). There is no evidence that AMS (ammonium sulfate), glufosinate (Liberty), or PPO inhibitors (Flexstar) cause the leaf cupping associated with plant growth regulator injury. We have also heard of dicamba-like symptoms (leaf cupping, spike-like appearance of upper soybean stem) following application of 2,4-D to Enlist soybeans. Per EPA guidelines, generic 2,4-D can have up to 250 ppm of dicamba contamination, and only 100 ppm are required to cause visible injury to soybean. Dicamba applications to tolerant soybean systems are not legal past the June 30 cutoff. Other potential sources of off-target injury can occur from PGR applications to ditches, pastures, lawns, and contaminated water movement.

Some fact sheets worth reviewing:
https://cdn.shopify.com/s/files/1/0145/8808/4272/files/A416pdf
http://weeds.cropsci.illinois.edu/extension/factsheets/PGR.pdf
https://ag.purdue.edu/btny/purdueweedscience/wp-content/uploads/2021/01/WS-56.pdf

Bish M, Oseland E, Bradley K (2021) Off-target pesticide movement: a review of our current understanding of drift due to inversions and secondary movement. Weed Technol. 35: 345– 356. doi: 10.1017/wet.2020.138

What's Your Baled Forage Worth?

By: Lee Beers, OSU Extension Educator, Trumbull County (originally published in Farm and Dairy)
Source: https://u.osu.edu/beef/2022/08/03/whats-your-baled-forage-worth/

Depending on your perspective, the dry weather in northeast Ohio has either been a blessing or a curse.

This hay season has been relatively stress-free so far without a fear of rain, but if it doesn't rain soon, we will be looking at reduced tonnage for second and third cuttings. Not to mention that we are fast approaching corn pollination and we will need some significant rain during pollination for a good yield.

Yields have been good for baled forage in northeast Ohio, and with lots of time to make dry forage, some farmers are prepared to sell extra hay. If you find yourself in a similar situation, be sure to consider all costs before you put a price on your forage. Unlike some other items you sell off your farm, you get to choose the price for your forage. It's easy to say, "I just want to get rid of it" and price it low to move it off your farm quickly, but that may be a costly strategy.

Adding up the costs
Before you "just get rid of it", let's consider the cost of that bale. We all know fertilizer prices are extremely high right now, and there is nutrient value in that baled forage. For every ton of dry hay you harvest, you are removing approximately 40 pounds of nitrogen, 12 pounds of P_2O_5 and 45 pounds of K_2O. Each forage species will differ, but these values are a good starting point for most grass and legume species. You can find removal rates for your own crop here: https://ohioline.osu.edu/factsheet/anr-96.

If we look at that extra hay as fertilizer, we can put a dollar value on the nutrients using current 2022 fertilizer prices. Assuming approximately one-third of the nitrogen would be available, one round bale weighing 1,000 pounds would have approximately $30.50 worth of nutrients if it was used as a fertilizer. A 50-pound small

square bale would have about $1.50 worth of nutrients.
High prices don't stop at fertilizer — fuel, twine, net wrap, plastic, equipment, parts, labor and just about everything else is more expensive this year.

If we continue to use the 1,000-pound round bale as an example and add $0.83 for net wrap and another $1.55 for fuel to harvest the hay, there is now $32.88 invested in that bale. We haven't even started to discuss the cost of transporting round bales back to the farm, land rental prices and/or taxes, machine depreciation, labor, storage, time, other costs and the quality of your hay. Once you start to take all those factors into consideration, it is possible to have $40 or more invested in each bale.

Future needs
You should also consider your future forage needs. If you have "extra" now, what will your forage situation look like if future cuttings are light on tonnage or if you need to feed hay to heifers or dry cows on pasture? That "extra" forage may be needed later this summer to compensate for reduced tonnage later.

Looking at online marketplaces, it appears that round bales of hay are going for approximately $40-$50 with an unknown weight or quality. With all the costs mentioned, that does not leave much profit margin for the farmer unless they are in the 550-650-pound range. That is still better than some of the auction prices that I have seen. If you purchased hay for $25/ton at auction, let it compost for a few months, and then spread it on your fields that would be the cheapest fertilizer on the market today.

Know your costs
Knowing your cost of production is crucial to stay profitable in times of high input costs. Crop enterprise budgets are a great tool to help you calculate your actual costs, and help you determine a price for your forage. The OSU Farm Office has several crop budgets available for silage, haylage and dry hay: https://farmoffice.osu.edu/farm-management/enterprise-budgets). The alfalfa budgets can easily be adapted to cool season grasses, annual grasses or other forage species that you have on your farm.

With all of that taken into consideration, are you valuing your baled forage appropriately to cover your costs, make a profit and not sell yourself short on feed? I hope so. Have a great hay season, and I hope we get some rain soon — unless I have hay on the ground.

When Should I Clip My Pasture?

By: Victor Shelton, Retired NRCS Agronomist/Grazing Specialist
Source: https://u.osu.edu/beef/2022/08/03/when-should-i-clip-or-should-i/

My wife calls me a procrastinator sometimes, but I'd rather think of it as "waiting for the right moment" to start something. The weather threw a few monkey wrenches into my plans this year and I've tried to not feel overwhelmed as things that I needed to do began to pile up a bit. Part of my problem is I say yes to too many things and then the cobbler's kids go barefoot – or rather I do. Life has a lot to do with choices and that is true with pasture management too.

Pasturing sheep along with cattle, or rotating the two species can help with pasture weed control.

I'm asked every year about mowing or clipping pastures. For most, that is an annual ritual and quite often a very justifiable management decision. The most asked question is always, "When should I clip?" My most common question in reply is, "What are you trying to accomplish?" For most, the reason is to remove seed heads and or reduce weeds, and for a certain percentage it's purely aesthetics.

You normally would hear me preach about making sure to keep everything as vegetative as possible by ideally grazing it. That can sometimes be easier said than done. Generally, a high stocking density for a short period of time – ideally less than two days – creates enough competition between animals that most forage and a surprisingly high amount of weeds are grazed off pretty

quickly and evenly. This keeps weeds from creating too much competition for desirable forage species.

The lower the stock density and longer the grazing period on a larger allotment, the less competition there is between animals and the more selective they are of what to graze. When this happens, desirable species are eaten first, and intermediate and undesirable species are grazed around. If this happens very much, the pasture composition can shift from desirable species to increased amounts of undesirables as they slowly get stronger foot holds.

That said, the type of livestock present makes a difference in forage preferences. Cattle certainly prefer grasses and legumes and a small amount of browse. Browse in this case is usually some tree leaves. Small ruminants such as sheep or goats eat a wider variety of species. Goats tend to be more of a browser than a grazer. Pastures that are grazed early in the season by sheep or goats tend to have fewer weeds than cattle pasture. If you raise both, it might be smart to either switch them around occasionally as to where they start the season grazing or perhaps graze them together as a flerd.

For some weeds, some livestock will mimic the kid at the dinner table being told to eat their broccoli – they just will not eat it no matter what. I can understand that – especially when it comes to blackberries and multi-flora rose. Both can be a thorn in my side, and I don't blame any cow for not wanting to try and graze among them. Back to the question of "When should I clip?" If it is purely to slow seed head production, then mowing earlier is generally better than later if you want to maintain quality. I say that somewhat tongue in cheek because I absolutely hate to remove any quality grazable forage. If you are using a typical bushhog, then even if you have it as high as it can be raised, you usually are removing grazable forage. If it turns dry, then you just reduced the amount of potential forage available.

If you are bound and determined to clip, at least wait until right after grazing it. Once it has been grazed, reassess it and determine if clipping is still feasible. If the cows were allowed to pick and choose and only ate ice cream and no broccoli, then yes, to prevent the "broccoli" from increasing or going to seed, clipping would be beneficial. If animals had more competition per allocation, then it might be harder to justify.

I've fought more briars and ironweed this season than normal. Early season grazing under wet conditions can create opportunities for some pests to try and get a foothold in small, slightly more disturbed areas. If you were able to graze this spring under wet conditions and not pug, plug, or almost plow up areas trying to graze quickly across it, then my hat is off to you. It was challenging. Only areas that had heavy cover were left somewhat unscathed.

Mowing or clipping it is a common management tool that can certainly be very beneficial, but it also can sometimes do more harm than good. Besides the potential removal of grazable forage, clipping short after prolonged close grazing reduces root mass and greatly slows regrowth. Evaporation is generally also increased under this circumstance leading to higher soil temperatures and, most likely, increased oxidation of carbon through the reduction of soil organic matter.

In late July as I'm writing this, I have not clipped any pastures yet and honestly, from the way a couple of them look, especially from a distance, they are about to reach my personal threshold aesthetically. Except for a few weeks in June, the understory has continued to grow faster than I have time or decent weather conditions to manage. The windshield view is worse than the walking view in most cases. In other words, from a distance it looks a lot worse than it is up close.

If the canopy of less desirables starts to get even close to thirty percent – it will get clipped. That is my threshold. If an undesirable starts to go to seed – it will get clipped. If I can't clip higher than any grazable desirable forage, then it will get grazed again prior to being clipped, especially if something will eat the target species.

Is just removing seed heads a justifiable reason for clipping? Some people would quickly say yes and state the reason was to reduce cases of pinkeye. The seed heads do not cause pink eye, or at least not

independently. The seed heads along with other things present irritate the eyes. Watery eyes draw flies. The flies then move the bacteria from the infected animal to other animals.

Dr. Bill Shulaw, OSU extension veterinarian, once wrote, "Pinkeye demonstrates a well-known principle in infectious diseases. Disease usually occurs only when there is a susceptible host (in this case a non-immune cow), an infectious agent (Moraxella bovis for pinkeye), and environmental conditions that favor infection of the host (irritation of the eye to create tears that attract the flies and that favor the attachment of the bacteria to eye tissues).

Remember, it's not about maximizing a grazing event, but maximizing a grazing season! Keep on grazing!

Impact of a Cattle Brush on Feedlot Steer Behavior

By: R. Parka, K. Schubacha, R. Cookea, A. Herring, J. Jennings, C. Daiglea, Department of Animal Sciences, Texas A&M University, College Station, TX, USA, Texas A&M AgriLife Research and Extension Service, Amarillo, TX, USA (find the entire published document at Applied Animal Behavior Science) Excerpted by Dr. Stephen Boyles, OSU Extension Beef Specialist
Source: https://u.osu.edu/beef/2022/08/03/impact-of-a-cattle-brush-on-feedlot-steer-behavior-productivity-and-stress-physiology/

The aim of the present study was to investigate the impact of environmental enrichment (EE), in the form of a cattle brush, on feedlot cattle behavior, productivity and stress physiology. Steers were blocked by weight and assigned to one of two treatments 1) Cattle brush secured to fence line (BRUSH; n = 3 pens; 25 animals) or 2) No enrichment (CON; n = 3 pens; 26 animals). Video recordings were decoded from 0800 to 1730 on d -2, -1, 0, 1, 2, 4, 8, 16, 32 and 64 relative to brush implementation. Headbutting, kicking, mounting, bar licking, tongue rolling, allogrooming (licking each other) and brush usage were scored through continuous observation. Scan samples at 10-minute intervals were utilized to score lying, drinking and eating.

Cattle housed in BRUSH pens performed fewer headbutts ($P = 0.013$) over time compared to CON cattle. For BRUSH cattle, frequency and duration of brush usage changed over time, peaking on d 0 ($P < 0.01$). Environmental enrichment treatment impacted mounting, bar licking, tongue rolling, allogrooming and activity levels ($P < 0.05$). Cattle housed in BRUSH pens engaged in fewer mounts, bar licking bouts, tongue rolling bouts and allogrooming bouts and performed all behaviors for a shorter duration of time compared to CON cattle. Research day impacted mounting, bar licking, tongue rolling, allogrooming, activity and rumination ($P < 0.05$). Mounting frequency, bar licking frequency, bar licking duration, activity duration and rumination duration decreased over time while frequency and duration of tongue rolling and allogrooming increased over time. A smaller proportion of steers were observed lying on d 0 and d 4 ($P = 0.001$) and the proportion of steers feeding decreased over time ($P = 0.04$). Cattle assigned to BRUSH pens performed fewer stereotypic and aggressive behaviors and cattle did not habituate to the brush suggesting that a cattle brush could provide long-term mental and physical stimulation. Cattle provided enrichment had no difference in feedlot performance or carcass traits.

This study suggests that brushes as EE for cattle may enhance confined cattle environments without compromising productivity.

Coming Soon: Ohio's New Beginning Farmer Tax Credits

By: Peggy Kirk Hall, Associate Professor, Agricultural & Resource Law Tuesday, August 02nd, 2022
Source: https://farmoffice.osu.edu/blog/tue-08022022-227pm/coming-soon-ohio%E2%80%99s-new-beginning-farmer-tax-credits

The idea to use income tax incentives to help Ohio's beginning farmers gain access to agricultural assets floated around for several years in the Ohio General Assembly. The idea became a reality when the Beginning Farmer Bill sponsored by Rep. Susan Manchester (R-Waynesfield) and Rep. Mary Lightbody (D-Westerville) passed the legislature, was signed by Governor DeWine and became effective on July 18, 2022. The law is now in the hands of the Ohio Department of Agriculture (ODA), charged with implementing its provisions.

The new law sets initial eligibility criteria for certifying "beginning farmers," directs ODA to establish the certification program, and authorizes two types of income tax credits for certified beginning farmers and those who sell or lease assets to certified beginning farmers. According to ODA, the income tax credits will be available for 2023, once the certification program is up and running.

Here's a summary of what to expect from the new law.

Certification of beginning farmers. The ODA will establish a process for designating a farmer who meets the eligibility criteria to be a "certified beginning farmer." The law sets initial criteria for beginning farmers designation but also allows ODA to create additional requirements. ODA may seek participation from Ohio State and Central State in the certification of beginning farmers. The initial certification conditions are:

- Resident of Ohio.
- Seeking entry to or has entered farming within the last 10 years.
- Farms or intends to farm on land in Ohio.
- Is not a partner, member, shareholder, or trustee of the assets the individual is seeking to purchase or rent.
- Has a total net worth of less than $800,000 in 2021, including spouse and dependent assets, as adjusted for inflation each year.
- Provides majority of daily physical labor and management of the farm.
- Has adequate farming experience or knowledge in the type of farming for which seeking assistance.
- Submits projected earnings statements and demonstrates profit potential.
- Demonstrates farming will be a significant source of income for the individual.
- Participates in a financial management program approved by ODA.

Financial management programs for beginning farmers. ODA must approve financial management programs that meet the certification requirement, in consultation with Ohio State and Central State. The list of approved programs will be available on ODA's website.

Income tax credits for certified beginning farmers. An individual who attains certification as a beginning farmer may apply for a state income tax credit equal to the cost incurred during the calendar year for participating in an ODA approved financial management program or a substantially equivalent financial management program approved by the USDA. The tax credit is nonrefundable. If the tax credit exceeds the beginning farmer's tax liability in the year granted, the excess can carry forward for not more than three succeeding tax years.

Income tax credits for owners who sell or rent assets to certified beginning farmers. An owner who sells or rents "agricultural assets" to a certified beginning farmer during the calendar year or in either of the two preceding calendar years may apply for a state income tax credit. The credit will be equal to 3.99% of the sale price or the gross rental income received during the calendar year for either a cash or share rental agreement. "Agricultural assets" includes agricultural land (at least 10 acres and in agricultural production or earning $2500 in average yearly gross income from agricultural production if under 10 acres), livestock, facilities, buildings, and machinery used for agricultural production in Ohio. The owner cannot be an equipment dealer, however, nor can the certified beginning farmer receiving the assets be a partner, member, shareholder, or trustee of the owner of the assets. Rented assets must be rented at prevailing community rates, as determined by ODA in consultation with the Ohio tax commissioner. The tax credit is nonrefundable but may be carried forward for seven succeeding tax years if it exceeds the owner's tax liability.

Time to plan. As we await ODA's rules and procedures for the new tax credits, beginning and existing farmers can use this time for planning. Review the new law with your attorney and accountant to determine how the income tax credits could affect you. If you are a beginning farmer seeking agricultural assets, spend time trying to connect with an existing farmer who is ready to sell or rent agricultural assets. Although the 3.99% credit for those transfers may not sound significant, run the numbers and see how they could play out. The hope of the new law is that those numbers will be enough to help a beginning farmer have greater access

to those important assets that are critical to farming in Ohio.
Information on House Bill 95, the Beginning Farmer bill, is available at this link.

Avoiding Probate – Not as Hard as You Might Think

By: Robert Moore, Thursday, July 28th, 2022
Source: https://farmoffice.osu.edu/blog/thu-07282022-427pm/avoiding-probate-%E2%80%93-not-hard-you-might-think

As anyone who has been an executor of an estate or has had to deal with an estate knows, the probate process can be slow, cumbersome and expensive. Fortunately, much probate, and sometimes all probate, can be avoided with some planning and diligence. The following is a brief discussion on how to avoid probate with different types of assets.

Real Estate

Survivorship Deeds. Ohio law allows co-owners of real property to pass their share of the property to the surviving co-owner(s) upon death through a survivorship deed, also referred to as a "joint tenancy with survivorship rights." This type of deed is common in a marital situation, where the spouses own equal shares in the property and each becomes the sole owner if the other spouse passes away first. The property deed must contain language such as "joint with rights of survivorship".

Transfer on Death Affidavit. Another instrument for designating a transfer of real property upon an owner's death is the "transfer on death designation affidavit." This affidavit allows property to pass to one or more designated beneficiaries if the owner dies. The process is simple, it requires the owner to complete an affidavit and file it with the recorder in the county where the land is located. Upon the owner's death, the beneficiary records another affidavit with the death certificate and the land is transferred without probate.

Vehicles
Ohio law also allows motor vehicles, boat, campers, and mobile homes to transfer outside of probate with a transfer on death designation made by completing and filing a Transfer on Death Beneficiary Designation form at the county clerk of courts title office. There is a special rule for automobiles owned by a deceased spouse that did not include a transfer on death designation. Upon the death of a married person who owned at least one automobile at the time of death, the surviving spouse may transfer an unlimited number of automobiles valued up to $65,000 and one boat and one outboard motor by taking a death certificate to the title office.

Payable on Death Accounts
All personal financial accounts, including life insurance, can include payable on death beneficiaries. The beneficiaries are added by using forms provided by the financial institution. Upon the death of the owner, the beneficiary completes a death notification form and submits to the financial institution with a death certificate. The beneficiaries are then provided the funds held by the account.

Business Entities
The many advantages of using business entities are well known but avoiding probate is an often-overlooked attribute of business entities. Ohio law allows business entity ownership to be transferred outside of probate by making a transfer on death designation. This is most commonly done with ownership certificates or within the operating agreement. Upon the death of the owner, the ownership is transferred to the designated beneficiary with a simple transfer business document.

Non-Titled Assets
Farms have many untitled assets such as machinery, equipment, livestock, crops, and grain. These assets can be made non-probate, but it will require either a trust or a business entity. For example, machinery can be

transferred to an LLC. Then, the LLC ownership is made transfer on death to a beneficiary.

Ohio law allows probate to be avoided relatively easily. Estates worth many millions of dollars can avoid probate and make the administration easy. However, the owner of the asset must take the time and make the effort to change the title or add a beneficiary. An attorney familiar with estate planning can assist with making sure all assets are titled to avoid probate. The executor and the heirs of the estate will appreciate having little or no probate to deal with.

Ohio Farmland Leasing Update is August 11

By: Peggy Kirk Hall, Associate Professor, Agricultural & Resource Law Tuesday, July 26th, 2022
Source; https://farmoffice.osu.edu/blog/tue-07262022-1246pm/ohio-farmland-leasing-update-august-11

Is it time to start thinking about your farmland lease for next year? We think so! There are new legal issues and updated economic information to consider for the upcoming crop year. That's why we've scheduled our next Ohio Farmland Leasing Update for Thursday, August 11 at 8 a.m. Join the Farm Office team of Barry Ward, Robert Moore and Peggy Hall for an early morning webinar discussion of the latest economic and legal farmland leasing information for Ohio.
Here are the topics we'll cover:

- Ohio's new statutory termination law for verbal farmland leases
- Using a Memorandum of Lease and other lease practice tips
- Economic outlook for Ohio row crops
- New Ohio cropland values and cash rents survey results
- Rental market outlook

There's no cost to attend the Zoom webinar, but registration is necessary.
Visit https://go.osu.edu/farmlandleasingupdate for registration. And if you're already thinking about your next farmland lease, also be sure to use our farmland leasing resources on https://farmoffice.osu.edu.

Slight increase in producer sentiment despite rising costs and lower crop prices

August 2, 2022 | James Mintert and Michael Langemeier, Purdue Center for Commercial Agriculture

The *Purdue-CME Group Ag Economy Barometer* sentiment index rose 6 points in July to a reading of 103. Producers in this month's survey were somewhat more optimistic about both current and future economic conditions on their farms than they were in June. The *Index of Current Conditions* rose 10 points in July to 109 while the *Index of Future Expectations* rose 4 points to 100. Although all three indices rose this month, they were still 23-24% lower than a year earlier. Farm operators in this month's survey voiced concerns about several key issues affecting their operations with higher input prices (42% of respondents) receiving the number one ranking followed closely by lower crop prices (19% of respondents), rising interest rates (17% of respondents) and availability of inputs (15% of respondents). The *Purdue University-CME Group Ag Economy Barometer* sentiment index is calculated each month from 400 U.S. agricultural producers' responses to a telephone survey. This month's survey was conducted from July 11-15, 2022.

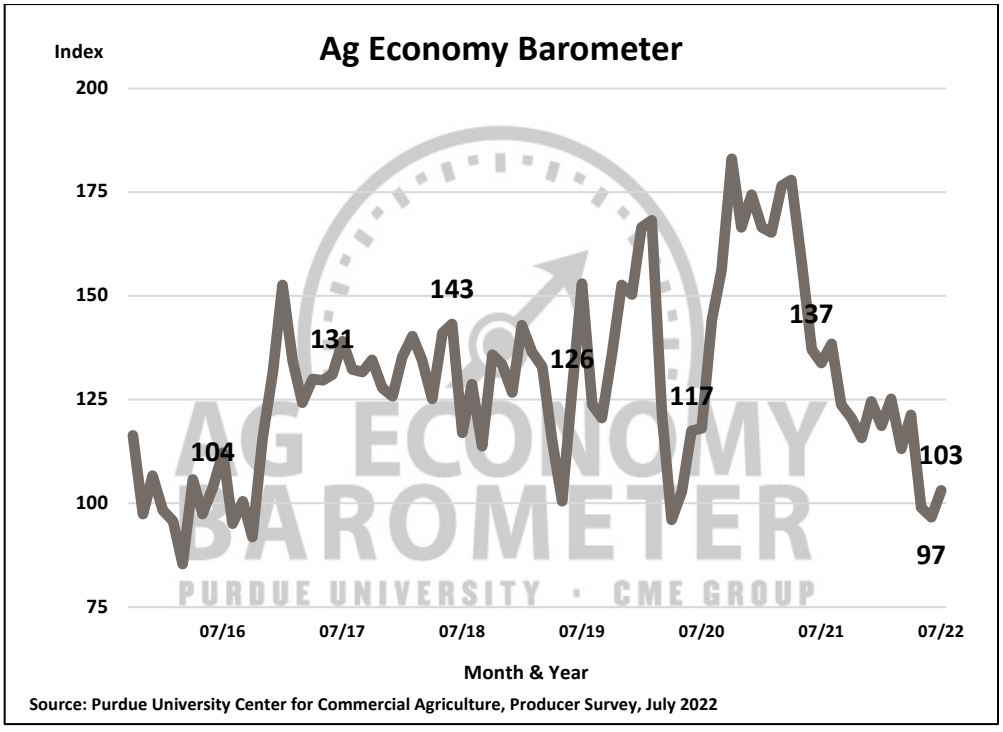


Figure 1. Purdue/CME Group Ag Economy Barometer, October 2015-July 2022.

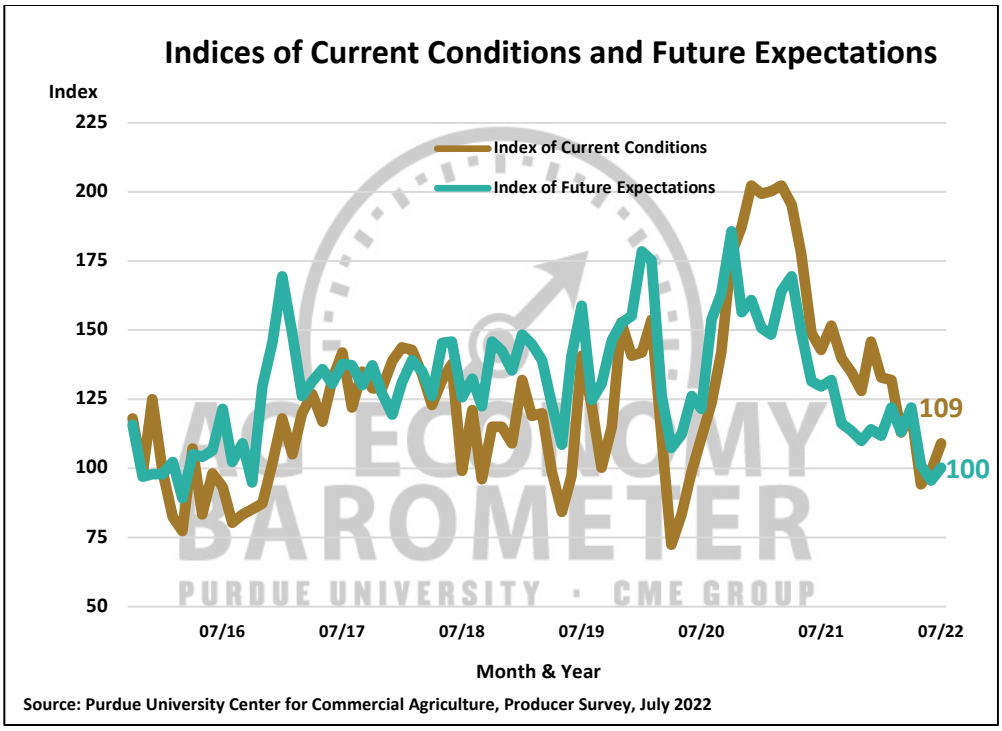


Figure 2. Indices of Current Conditions and Future Expectations, October 2015-July 2022.

Producers' expectations for their farms' financial performance improved in July compared to June as the *Farm Financial Performance Index* rose 5 points to a reading of 88. Improvement in the index was attributable to a small shift in responses away from expecting worse performance in 2022 than last year towards expecting better financial performance than in 2021. The modest rise in the index was surprising given that key commodity prices, including wheat, corn and soybeans, all weakened during the month separating data collection for the June and July surveys. However, when asked to look ahead a year from now, there was virtually no change in producers' responses to the July vs. the June surveys. In July, 49 percent of respondents said they expect their farm to be worse off financially a year from now, which compares to 51 percent of respondents who felt that way in June. This is a markedly more pessimistic outlook than producers provided a year ago when just 30 percent of respondents said they expect their financial condition to worsen in the upcoming year.

Although producers still expect sharp increases in crop input prices in 2023 compared to 2022, their views appear to have moderated somewhat with more producers expecting input prices to retreat in the coming year and fewer producers expecting prices to rise sharply in July than a month earlier. In July, 18% of crop producers said they expect 2023's crop input prices to decline between 1 and 10% compared to 2022's prices vs. just 12% of producers in June who said they expect prices to decline next year. On the other end of the spectrum, 26% of respondents in July said they expect 2023's prices to rise by 10% or more vs. 38% of crop producers who expected a crop input price rise of that magnitude in June. Perhaps the real story is the tremendous uncertainty among producers regarding what input prices are likely to be in the upcoming year!

July marked the fourth month in a row that the barometer survey included a question asking ag producers about their expectations for the rate of inflation in consumer items over the upcoming year. Compared to responses received in April through June, producers' expectations for inflation also showed signs of moderating in July with more producers looking for inflation to average less than 3% and fewer producers expecting inflation to exceed 10%. In July, 11% of respondents said they expect an inflation rate of less than 3% while 26% of ag producers said they think inflation will exceed 10%. These results compare to results from April through June when an average of 7% of producers said they expect the inflation rate to be less than 3% and 32% of respondents said they expect the rate of inflation to exceed 10%.

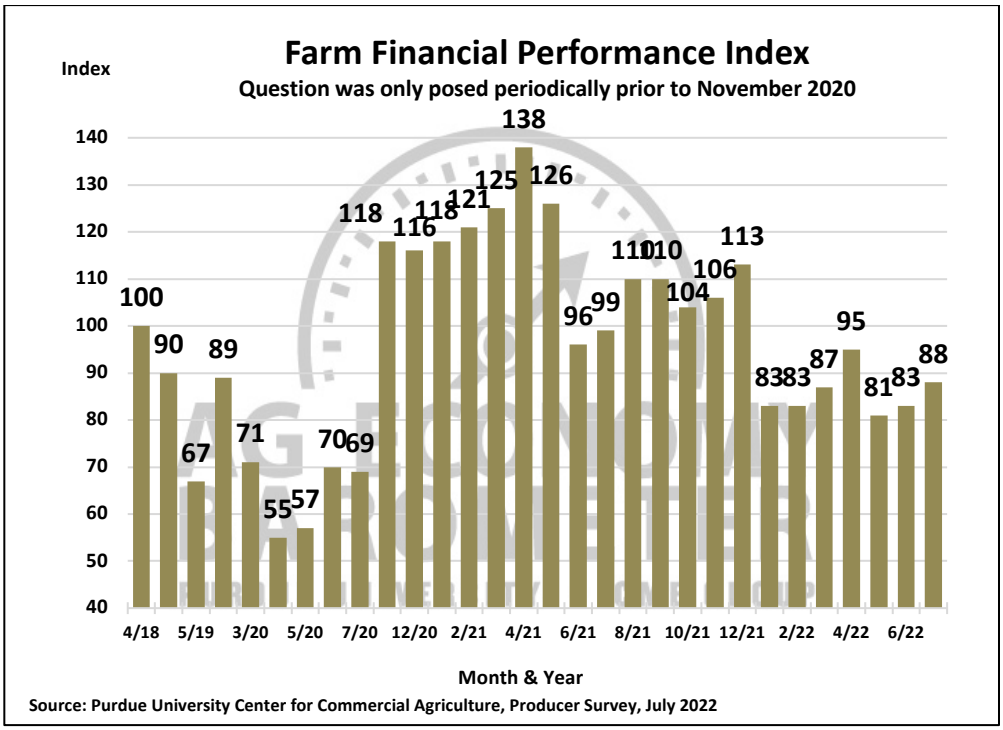


Figure 3. Farm Financial Performance Index, April 2018-July 2022.

The *Farm Capital Investment Index* was virtually unchanged in July with a reading of 36 compared to 35 in June. This month's reading, the fifth month in a row that the investment index was mired in the mid-30s, was 28% lower than a year earlier. Results from a new question included in this month's survey shed some light on why producers view now as a poor time to make large investments in their farming operation in the face of strong farm machinery, building, and bin sales. Respondents who said now is a bad time for large investments were asked for the primary reason they felt that way. The most common response, chosen by 44% of those respondents, was "increase in prices for farm machinery and new construction". Uncertainty about farm profitability was chosen by 15% of respondents while 14% of respondents chose rising interest rates as the primary reason they viewed now as a bad time for large investments. Somewhat surprisingly, only 7% of respondents chose "tight farm machinery inventories at dealers" as their primary reason for responding negatively to the investment question.

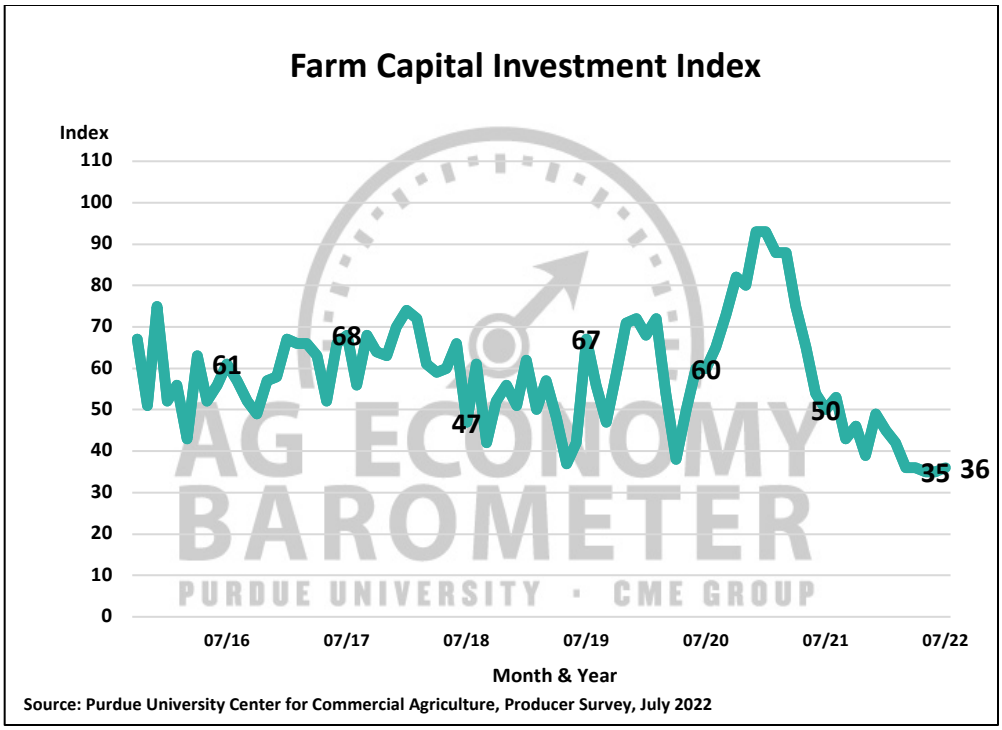


Figure 4. Farm Capital Investment Index, October 2015-July 2022.

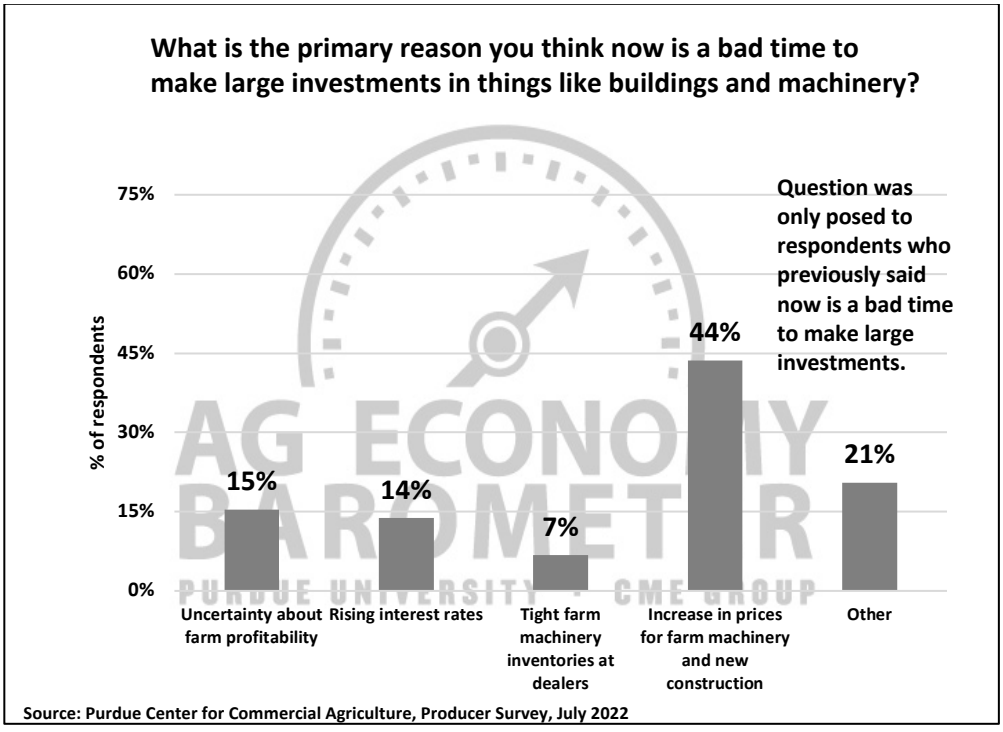


Figure 5. Why is now a bad time to make large investments?, July 2022.

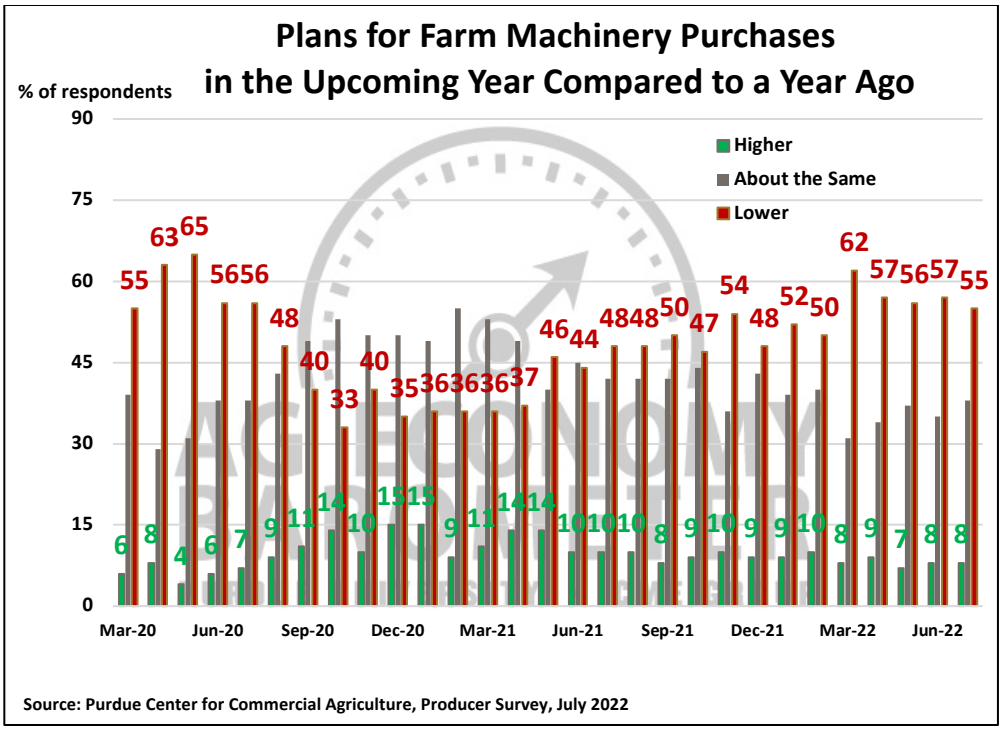


Figure 6. Plans for Farm Machinery Purchases in the Upcoming Year Compared to a Year Ago, March 2020-July 2022.

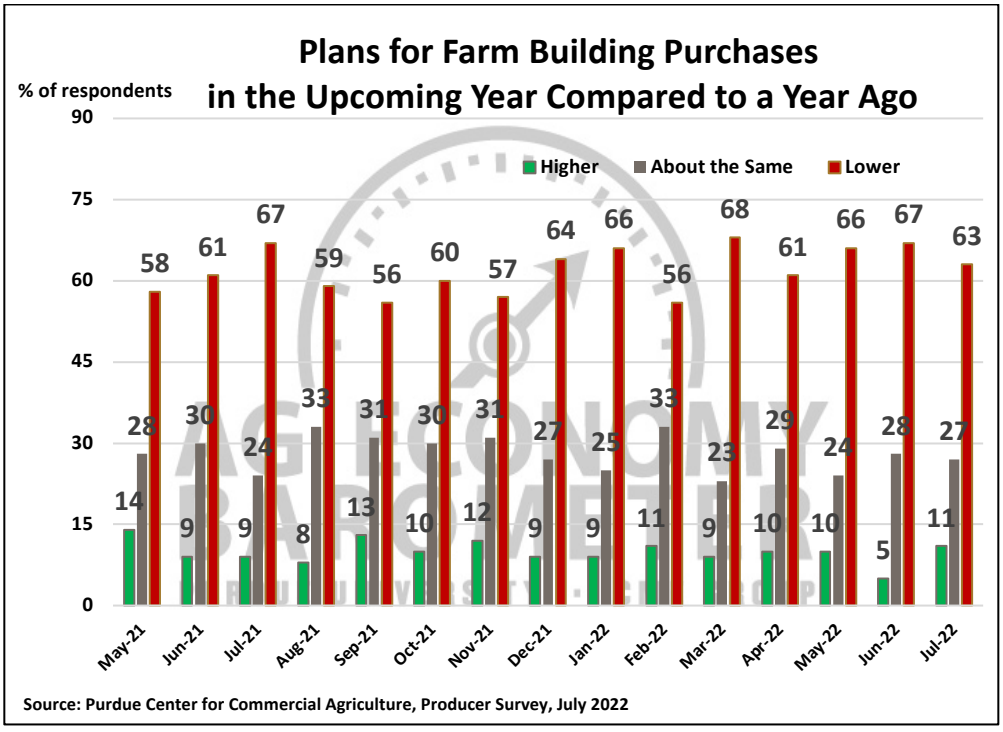


Figure 7. Plans for Constructing New Farm Buildings and Grain Bins, May 2021-July 2022.

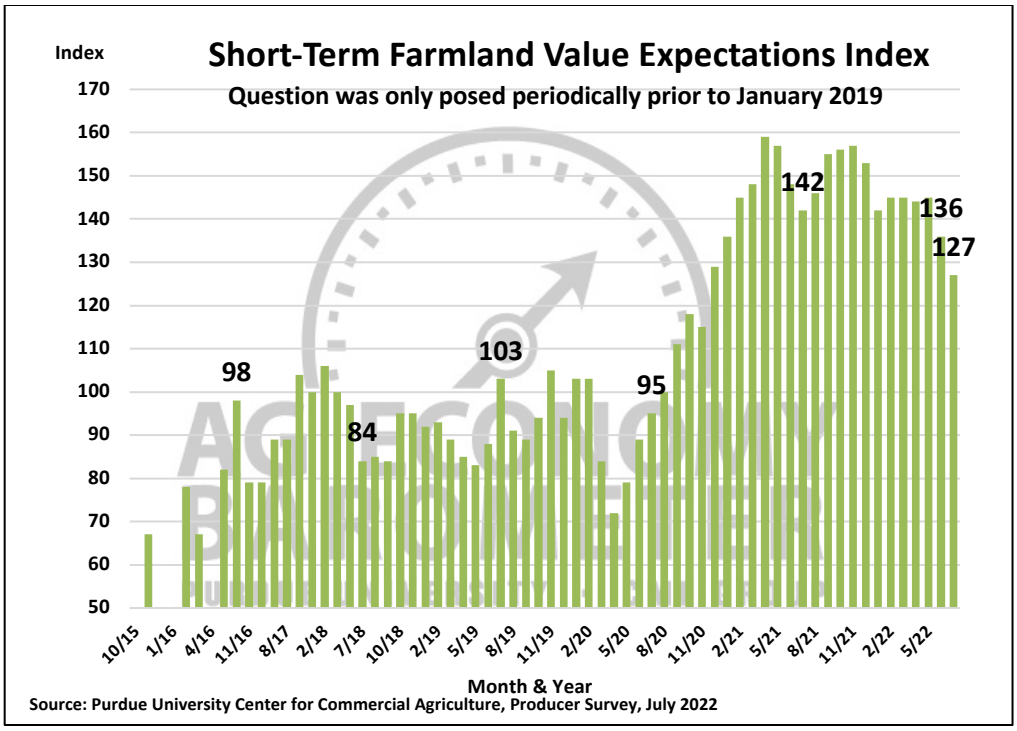


Figure 8. Short-Term Farmland Value Expectations Index, November 2015-July 2022.

Forty-two percent of corn and soybean producers in the July survey said they expect cash rental rates to rise in 2023, down from 52% of respondents who said they were looking for rates to rise in the June survey. The magnitude of the rental rate increase expected by those respondents who think rates will rise was smaller than revealed in the June survey suggesting that weaker commodity prices and high input costs could hold back rental rate increases. Among those respondents expecting rental rates to rise, 23% expect an increase of less than 5% and 34% expect the rate increase to exceed 10%. In June, 18% expected a rental rate increase of less than 5%, while 42% said they thought rates would rise by more than 10%.

Producers' views on farmland values diverged this month as the *Short-Term Farmland Value Index* declined 9 points to 127 while the long-term index rose 9 points. July marked the second consecutive 9-point decline in the short-term index leaving it 20% below its 2021 peak reading. Weakness in the short-term index the last two months was primarily attributable to a shift away from expecting higher farmland values to expecting values to remain about the same. The rise in the long-term index occurred because of a shift away from expecting values to decline to values rising over the next five years. The farmland indices don't always move in tandem, but the magnitude of this month's divergence between the short and long-term indices is unusual. Producers who expect values to rise over the upcoming 5 years continue to say that non-farm investor demand and inflation are the two primary reasons they expect values to rise.

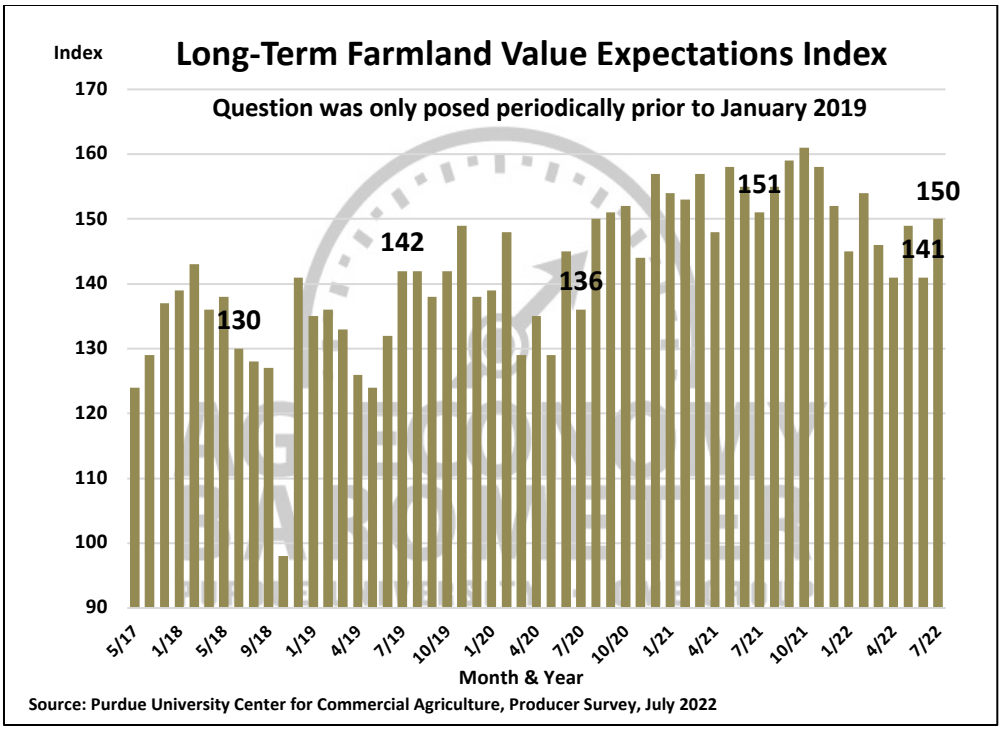


Figure 9. Long-Term Farmland Value Expectations Index, May 2017-July 2022.

The rise in input costs is leading some producers to reassess their cropping plans for the upcoming year. In this month's survey, nearly one out of four (24%) of crop producers said that as a result of the rise in input costs they plan to change their farm's crop mix in 2023. This was up from a month earlier when 19% of producers said they planned to make changes in their crop mix for 2023. In a follow-up question, which was posed only to producers planning to adjust their crop mix, regarding what will be the biggest change in their crop mix, over half (53%) of respondents said they plan to increase the percentage of their cropland devoted to soybeans. In a separate set of questions, 26% of producers who told us they planted winter wheat last year said they plan to increase their wheat acreage this fall. This changed little from last month when 24% of winter wheat producers in our survey said they planned to increase their wheat acreage for harvest in 2023.

Wrapping Up

Farmer sentiment improved modestly in July as the *Ag Economy Barometer* rose 6 points above its June reading. The sentiment improvement occurred primarily because producers felt better about their current situation as the *Index of Current Conditions* rose 10 points. Producers' assessment of their current financial situation improved as the *Farm Financial Performance Index* rose 5 points in July, but when asked to look ahead one year nearly half of all respondents said they expect their farms' financial condition to worsen in the upcoming year. Producers' top concerns for the upcoming year continue to focus on the rise in input prices followed closely by lower crop prices, rising interest rates and availability of inputs. All of these factors point to a high level of uncertainty among ag producers which helps explain why farmer sentiment remains weak.