

# Producers who paid for outside service face earlier filing deadlines

By ERIC MORTENSON  
Capital Press

Farmers and ranchers who paid for common agricultural services face an earlier tax filing deadline this year, a Portland accountant said.

Melissa Carlgren, a CPA and senior tax manager with the Portland firm Geffen Mesher, said the change may have slipped past some producers. The most likely problems in-

volve 1099-Misc forms, which must be filed anytime you pay someone \$600 or more for services.

For producers, the 1099-Misc forms typically involve payments for such things as custom harvesting, spraying or other services that would be reported as "non-employee compensation" in Box 7 of the 1099 form. Producers are required to send the forms to payment recipients by Jan. 31, and now must file the forms

with the IRS by the same deadline.

"What the IRS is trying to do is get the information in the system sooner so they can match them up," Carlgren said.

In Oregon, people who file 10 or more 1099 forms are required to file electronically, Carlgren said.

Other changes of note include:

Employer copies of W-2 forms must be filed with the Social Security Administration by Jan. 31.

Farms operating as partnerships now must file returns by March 15, a month earlier than previously. The change puts partnerships at the same filing deadline as S Corporation farms. Both entities issue Schedule K-1 income statements to individuals involved in the partnership or S Corporation that they must include with their personal tax returns, due April 15.

The earlier deadline provides

more time for individuals to gather the information they need for their personal returns, Carlgren said.

Farms operating as C Corporations, common in agriculture, now have until April 15 to file. They previously had a March 15 deadline.

Geffen Mesher, which lists agribusiness as one of its practice areas, has an article about the changes on its website, [www.gmco.com](http://www.gmco.com).

# GMO vegetable oil lawsuit to proceed

Consumers claim to be deceived by ConAgra

By MATEUSZ PERKOWSKI  
Capital Press

Several consumers can proceed with a lawsuit alleging they were deceived by vegetable oil labeled as "100 percent natural" despite containing genetically engineered ingredients.

In 2015, a federal judge in California agreed to take the lawsuit against the ConAgra food company as a class action, allowing other consumers to be included in the litigation.

However, the case was put on hold while ConAgra challenged the class certification before the 9th U.S. Circuit Court of Appeals.

The 9th Circuit has now rejected ConAgra's arguments that the

case doesn't meet the requirements for class action status, allowing the litigation to continue.

Conagra had claimed there was no way to reliably determine which consumers had bought its Wesson brands of cooking oils, and so there was no "administratively feasible way" to identify class members.

Possible difficulties in locating and verifying class members aren't enough to disqualify such cases from being class actions, according to the 9th Circuit.

If such obstacles could prevent lawsuits from obtaining class action status, many similar cases would effectively be blocked from the courts because no realistic alternative exists, the ruling said.

When the potential financial compensation for each consumer is minuscule, it's unrealistic for them to file individual lawsuits, the court held.

"Class actions involving inexpensive consumer goods in particular would like-

ly fail at the outset if administrative feasibility were a freestanding prerequisite to certification," the 9th Circuit said.

ConAgra made several other arguments against class certification, arguing that most consumers didn't rely on the 100 percent natural claim to buy Wesson vegetable oils and that they didn't expect "natural" to mean the produce was free of genetically engineered ingredients.

The 9th Circuit rejected these claims, ruling that a federal judge did not abuse her discretion in certifying the lawsuit as a class action.

Three similar federal lawsuits over "natural" labeling for foods containing biotech ingredients were filed in the past, prompting those judges to ask the U.S. Food and Drug Administration for guidance.

The FDA responded that it doesn't have a formal definition of "natural" and would need to seek input from the public and other agencies before developing one.



Bob Andre//Idaho Department of Fish and Game

White-faced ibis feed in a flood-irrigated pasture in the Mud Lake area of Eastern Idaho. USDA's Natural Resources Conservation Service recently awarded three grants for Eastern Idaho agricultural projects, including one encompassing an effort to retain flood irrigation near the lake to benefit wildlife and boost the aquifer.

# Grant to provide relief to IGWA settlement participants

By JOHN O'CONNELL  
Capital Press

IDAHO FALLS, Idaho — A nearly \$5.18 million grant recently awarded by USDA's Natural Resources Conservation Service should provide relief for Eastern Snake Plain groundwater users, who have agreed to cut back on irrigation to reverse declines to their aquifer.

The Idaho Eastern Snake River Plain Aquifer Stabilization Project was among three Eastern Idaho efforts NRCS supported with Regional Conservation Partnership Program funds.

"The \$5 million, I think that's as much as we've gotten in quite a while, and the things (NRCS) is really concentrating on are some of our high priorities," said Idaho Water Resource Board Chairman Roger Chase.

Nationally, NRCS funded 286 projects, for a combined \$825 million investment.

The Snake River project provides incentives for drying farm ground or removing pivot end-guns, "soft" conversions of sprinklers from groundwater to surface water, installing well flow meters and improving infrastructure to retain flood irrigation to bolster the aquifer and benefit wildlife.

Lynn Tominaga, executive director of Idaho Ground Water Appropriators Inc., expects the bulk of the grant will go toward flow meters and end-gun removal. Tominaga said about 3,500 of the roughly 4,900 wells on the plain are now metered, and all wells will be required to have the devices by 2018. Tominaga said IGWA also received \$1.6 million toward installing flow meters last year from the Bureau of Reclamation and plans to request additional funds toward meters from NRCS in its next spending cycle.

Tominaga believes the grant will go a long way toward helping his members meet the terms of a 2015 water call settlement agreement with the Surface Water Coalition, requiring well irrigators to reduce water use by 12 percent annually on average.

Neeley Miller, senior water resource planner with the Idaho Department of Water Resources, said terms of the programs must still be negotiated. He noted partner organizations have also made contributions, including \$900,000 in in-kind monitoring and measurement by his department, \$225,000 toward acquiring water for soft conversions and \$4 million toward installing flow meters by IGWA, \$30,000 in financial and technical assistance by the Idaho Department of Fish and Game, \$15,000 in technical assistance by the Nature Conservancy, \$7,500 in technical assistance by the Wood River Land Trust and \$6,000 in technical assistance by Ducks Unlimited.

The Fish and Game Department and Ducks Unlimited will assist with a project to help growers upgrade flood irrigation systems, targeting the Mud Lake and Market Lake areas. Sal Palazzolo, Fish and Game's public lands coordinator, said flooded fields provide critical feeding habitat for water fowl, including the white-faced ibis.

However, flood irrigation is rapidly disappearing as growers convert to sprinklers. The two lakes are also in an area where flood waters that seep into the aquifer are retained for an especially long period.

NRCS also awarded \$719,000 to the Shoshone-Bannock Tribes to improve a Portneuf River dam, which should aid in both fish passage and irrigation management, and \$825,000 for projects involving Friends of the Teton River, the Teton Regional Land Trust and the Teton Water Users Association. The groups plan to acquire agricultural land conservation easements to protect farms from development. The grant will also support projects aimed at improving stream and river water quality and promoting no-till farming.

"It's really about working with farmers who want to stay on their land and finding ways we can support them," said Joselin Matkins, the land trust's executive director.

# Researchers track cattle to determine riparian area impact

Study finds cows spend little time in streams or buffer areas

By ERIC MORTENSON  
Capital Press

A five-year study of cattle grazing on federal rangeland showed they spend only 1 percent to 2.5 percent of their time in streams or in riparian buffer areas, a finding that may prove important as debate continues over the impact of cattle on public land.

Researchers at Oregon State University outfitted cows from three ranches with homemade GPS tracking collars and mapped their positions during spring to fall grazing seasons over five years. The collars reported the cows' positions about every five minutes and compiled more than 3.7 million data points over the course of the study. The technology was able to pinpoint when the collared cows were within 30 meters of streams.

The study took place on federal grazing allotments in the Wallowa-Whitman and Umatilla national forests. The findings are potentially significant because critics of public land grazing practices have long contended cattle trample and erode stream-banks and pollute water.

But John Williams, an OSU Extension rangeland expert in Wallowa County, said cows enter riparian areas for two reasons: "One is to drink, the other is to cross," he said.

The cows typically did not rest or graze near streams. Instead, they spent most of their time grazing on higher ground or resting in dry areas



Courtesy of Oregon State University

A cow and calf drink from Catherine Creek in Northeast Oregon. Using GPS tracking collars over five grazing seasons on federal land, researchers determined cows spend 1 to 2.5 percent of their time in streams.

away from streams, according to Williams.

Not surprisingly, the location of good forage was the primary factor in their movement. Water sources, fences, and previous logging or fires also influenced cattle movement, as did topography and the herd's point of entry at the beginning of the season. Cows

used 10 to 25 percent of the stream area in each grazing allotment.

Williams said the findings could be important to livestock management. The cattle impact on riparian areas "isn't for very long, and it isn't for all of the stream," he said. "What might we look at in management options that let us be more ef-

## Online

The study is published in the Journal of Soil and Water Conservation

cient?"

Cows were more likely to enter stream areas during the heat of summer, but in the cool spring showed little interest in riparian areas, Williams said. That suggests adjusting management practices across the seasons may be appropriate.

"If talking about riparian pasture grazing in April, maybe it isn't a big issue," he said. "But in August, maybe you take a look at it in a different light."

Williams said he's shared the study findings with the U.S. Forest Service, which manages grazing allotments in the national forests.

"I believe it's real straightforward in terms of, here's where cows go," he said.

The study had some quirks. Researchers selected cows at random from among the 300 to 400 in each of the three herds, and kept some of them collared for several years. About a third of the collared cows were new each year as older participants were sold or disappeared, or collars wore out.

Williams said funding for the research was tight, and the team chose to make their own GPS collars to save money. They bought plastic boxes to hold the electronics, made leather collars to fit around the cows, bought motherboards and "soldered, taped and glued" the devices for about \$450 apiece in material. Williams said he was told pre-assembled GPS units would have cost \$2,000 to \$3,000 each.

# Idaho farmer says growers need not abandon cover crops

By JOHN O'CONNELL  
Capital Press

ABERDEEN, Idaho — Rob Giesbrecht believes he's come up with a solution for regional growers who have given up on raising cover crops due to a recent mandate that they curb groundwater irrigation.

Farmers typically don't harvest cover crops, planting them instead to keep a living root in the soil for erosion control and allowing them to decompose in fields to replenish nutrients and build soil organic matter.

But Giesbrecht believes interest is waning in the once-trendy soil-health practice throughout Idaho's Eastern Snake Plain, where groundwater users must reduce their irrigation by 12 percent on average under the terms of a 2015 water call settlement with the Surface Water Coalition.

Giesbrecht anticipates strong demand for new cover crop blends he's developed to maximize water-use efficiency.

"You're talking 4 to 5 inches of water versus the other cover crop mixes that

are taking anywhere from 8 to 10 inches of water," Giesbrecht said.

Giesbrecht said five former customers, who had planted his seed over 1,000 acres, canceled 2016 orders to meet their reductions. He predicts more growers on the plain will quit using cover crops in future years, as they realize they're not doing enough to make their required cutbacks.

Giesbrecht believes abandoning cover crops based on water concerns is short sighted. He argues the benefits of cover crops aren't fully realized until after about five con-

secutive years of use. On his farm, he's saved on herbicides for weed control, enjoyed a roughly 8 percent water savings due to improved soil organic matter and water infiltration and significantly cut back on nutrient applications.

He's tested his water-efficient blends for two years, producing "phenomenal" cover crops on 5 inches of irrigation water.

His fall mix includes buckwheat, annual rye grass, oil radish, clover and peas — species he said have similar root systems and don't out-compete one another.

Buckwheat reaches flowering within about 35 days. Giesbrecht recommends cutting the fall mix before winter to allow the buckwheat, which won't overwinter, to decompose and provide nutrients to support spring growth of the other plants. Giesbrecht believes phosphate recaptured by buckwheat alone provides enough value to cover the \$20- to \$30-per-acre cost of his seed blend.

His spring mixture doesn't include peas, as they need more growth time to fix nitrogen, but Giesbrecht believes peas would be a good

option for dryland farmers planting cover crops to grow season-long on fallow fields. Thresher Artisan Wheat is also offering a water-efficient cover crop blend, designed by La Crosse Seed of Wisconsin for Eastern Idaho. It includes barley, field peas, cowpeas and three clover varieties.

Rather than planting cover crops, Aberdeen farmer Ritchey Toews simply waters his volunteer wheat to keep a living root in his soil.

"The cost of power and other demands for water has limited my interest in cover crops," Toews said.