

# Agricultural Report

Connecticut Department of Agriculture  
Ned Lamont, Governor  
Melody A. Currey, Acting Commissioner



Wednesday, February 27, 2019

## FARM TAXES

*Bureau of Agricultural Development and Resource Conservation*

The due date for filing 2018 federal and state income tax returns is April 15, 2019. For many Connecticut farm businesses, filing taxes is an opportunity to perform an annual financial analysis that can be a helpful decision-making tool for the following year.

Below are links to two publications that provide useful information for farmers about taxes and filing income tax returns:

- The U.S. Department of the Treasury's Internal Revenue Service offers the *Farmer's Tax Guide* for use in preparing 2018 Returns, available at <https://www.irs.gov/pub/irs-pdf/p225.pdf>.
- The Connecticut Department of Revenue Services (DRS) has developed the *Farmer's Guide to Sales and Use Taxes, Motor Vehicle Fuels Tax, Estimated Income Tax, and Withholding Tax* informational publication, available at [https://portal.ct.gov/-/media/DRS/Publications/pubsip/2018/IP-2018\(19\).pdf?la=en](https://portal.ct.gov/-/media/DRS/Publications/pubsip/2018/IP-2018(19).pdf?la=en).

The following are excerpts from the DRS *Farmer's Guide to Sales and Use Taxes, Motor Vehicle Fuels Tax, Estimated Income Tax, and Withholding Tax*.

### GENERAL INFORMATION:

Retail sales of tangible personal property used exclusively in agricultural production are exempt from sales and use taxes under Conn. Gen. Stat. § 12-412(63) if the purchaser qualifies for and has been issued a *Farmer Tax Exemption Permit* by the Department of Revenue Services (DRS). Conn. Gen. Stat. § 12-412(63) does not apply to services.

### WHO MAY APPLY FOR A FARMER TAX EXEMPTION PERMIT?

Any person engaged in agricultural production as a trade or business is eligible for an exemption permit. To be engaged in agricultural production as a trade or business, a person must both engage in the production with a profit motive and materially participate in the production. The applicant must also meet one of the following requirements:

- The applicant had gross income of \$2,500 or more from agricultural production, as reported for federal income tax purposes, in the preced-

ing taxable year or, on average, in the two preceding taxable years;

- An applicant whose gross income from agricultural production in the preceding taxable year was less than \$2,500 may still qualify for an exemption permit if, in the current or immediately preceding taxable year, the applicant bought an agricultural trade or business from a seller who had an exemption permit at the time of the sale; or
- The applicant is starting a new farming business (start-up farmer) and intends to carry on agricultural production as a trade or business for at least two years.

### WHAT FARMING ACTIVITIES ARE CONSIDERED AGRICULTURAL PRODUCTION?

Raising and harvesting any agricultural or horticultural commodity; dairy farming; forestry; raising, feeding, caring for, shearing, training or management of livestock, including horses, bees, poultry, fur-bearing animals or wildlife; or raising and harvesting fish, oysters, clams, mussels, or other molluscan shellfish are considered agricultural production.

### HOW CAN I APPLY FOR A FARMER TAX EXEMPTION PERMIT?

You must complete and submit **Form REG-8, Application for Farmer Tax Exemption Permit**. Submit your completed application and allow at least four weeks for DRS to process your application and mail your exemption permit. Visit the DRS website at [portal.ct.gov/DRS](http://portal.ct.gov/DRS) if you are a new applicant and need a copy of **Form REG-8**.

### DO I HAVE TO RENEW THE FARMER TAX EXEMPTION PERMIT?

Yes. Exemption permits must be renewed every two years. For example, an exemption permit issued in 2018 is valid from October 1, 2018, or the date it is issued, whichever is later, until September 30, 2020. Farmers with a current exemption permit will receive a renewal package in 2020. To renew an exemption permit, attach the same documents required to apply for a Farmer Tax Ex-



Image courtesy of IRS Publication 225, *Farmer's Tax Guide*.

*(continued on Page 3)*

**NORTHEAST EGGS/USDA**

Per doz. Grade A and Grade A white in cartons to retailers (volume buyers)

XTRA LARGE	1.10	1.27
LARGE	1.04	1.18
MEDIUM	.81	.94

**NEW ENGLAND SHELL EGGS**

Per doz. Grade A brown in carton delivered store door. (Range)

XTRA LARGE	1.85	1.95
LARGE	1.77	1.89
MEDIUM	1.25	1.39
SMALL	.84	.94

**LANCASTER, PA LIVESTOCK**

Avg. Dressing. Per cwt. Unless noted

<b>SLAUGHTER STEERS</b>		
Hi Choice/Prime 3-4	122.50	126.00
Choice 2-3	118.00	121.50
Select 2-3	116.00	118.00
<b>SLAUGHTER HEIFERS</b>		
Hi Ch/Prime 3-4	121.50	124.00
Choice 2-3	117.00	118.00
<b>SLAUGHTER COWS</b> Avg. Dressing		
breakers 75-80% lean	55.00	59.00
boners 80-85% lean	52.00	57.50
lean 88-90% lean	42.00	50.50
<b>CALVES - Graded bull</b>		
No 1 100- 130 lbs	55.00	67.00
No 2 94- 128 lbs	50.00	64.00
No 2 80- 92 lbs	35.00	40.00
<b>SLAUGHTER KIDS: Sel 1</b>		
40-60 lbs	145.00	170.00
60-80 lbs	175.00	205.00
80-100 lbs	195.00	220.00
<b>SLAUGHTER NANNIES/DOES: Sel 1</b>		
80-130 lbs	190.00	230.00
130-180 lbs	230.00	255.00
<b>SLAUGHTER BUCKS/BILLIES: Sel 1</b>		
100-150 lbs	230.00	270.00
150-250 lbs	285.00	345.00

**NEW HOLLAND, PA. HOG AUCTION**

Per cwt.

<b>SLAUGHTER HOGS</b>		
52-56	200-300 lbs	48.00 53.00
	300-350 lbs	47.00 56.00
	350-400 lbs	46.00 47.00
48-52	200-300 lbs	40.00 49.00
	300-350 lbs	40.00 49.50
	350-400 lbs	37.00 43.00
<b>Sows, US</b>		
	1-3	
	300-500 lbs	30.00 40.00
	550-650 lbs	32.00 38.00

**NEW HOLLAND, PA HAY REPORT**

Price per ton, small squares. February 22, 2019

<b>ALFALFA/GRASS</b>		
	SUPREME	400.00 440.00
	GOOD	240.00 310.00
	FAIR	170.00 240.00
<b>GRASS HAYS</b>		
	PREMIUM	350.00 365.00
	GOOD	270.00 310.00
	FAIR	200.00 210.00
	STRAW	300.00 330.00

**USDA NORTHEAST RETAIL DAIRY**

AVG. PRICE, FEBRUARY 15, 2019

BUTTER, 1 LB	2.99	4.99
MILK, ALL FAT, 1/2 GAL	1.99	2.50
MILK, ALL FAT, 1 GAL	3.99	4.29
YOGURT, GREEK, 32 OZ	3.99	5.49

**WHOLESALE FRUITS & VEGETABLES**

Boston Terminal and Wholesale Grower Prices CONNECTICUT AND NEW ENGLAND GROWN

	LOW	HIGH
ALFALFA SPROUTS, GHS, 5 LBS	14.00	15.00
APPLE, CRTLND, XFCY, 80	30.00	31.00
APPLE, CRTLND, XFCY, 88	30.00	31.00
APPLE, MAC, XFCY, 80	31.00	32.00
APPLE, MAC, XFCY, 88	31.00	32.00
APPLE, MAC, XFCY, 100	26.00	26.00
APPLE, MAC, 125, #1	16.00	17.00
APPLE, MAC, 138, #1	16.00	17.00
APPLE, RED DEL, XFCY, 100	22.00	22.00
APPLE, RED DEL, FCY, 125	18.00	19.00
APPLE, RED DEL, FCY, 138	18.00	19.00
BEAN SPROUTS, 10 LBS	6.00	7.00
BEAN SPROUTS, 12-12 OZ	12.00	15.00
CIDER, 4-1 GALLON	19.00	19.00
CIDER, 9-1/2 GALLON	21.00	21.00
POTATOES, RED, 50 LB,#1, SZ A	14.00	14.00
SQUASH, BUTTERNUT, 1-1/9, M-L	18.00	20.00
TOMS, GHS, 15LBS, CRTN S-M	10.00	10.00
TOMS, GHS, ONVINE, 11LBS, S-M	23.00	23.00
TOMS, GHS, CHERRY, 10 LB	30.00	30.00

**SHIPPED IN**

Price Range. Per unit.

APPLE, GLD DEL, PA, XFCY, 88	32.00	32.00
APPLE, GLD DEL, PA, XFCY, 100	28.00	28.00
APPLE, FUJI, PA, XFCY, 80	36.00	36.00
APPLE, FUJI, PA, XFCY, 88	36.00	36.00
APPLE, GALA, FCY, 88	19.00	20.00
APPLE, GALA, FCY, 100	18.00	20.00
BRUSSEL SPROUTS, CA, 25 LB	38.00	44.00
CABBAGE, GRN, FL, 50 LB, M/L	18.00	22.00
CABBAGE, RED, FL, 50 LB, M/L	34.00	38.00
CARROTS, CA, BUNCHED, 24	23.00	24.00
CUKE, LNG SDLS, CD, GHS, CTN	10.00	11.00
KALE, GA, CTN, BNCH, 12	16.00	18.00
LETTCE, BOSTON, GHS, CD, 12-4OZ	18.00	18.00
LETTUCE, RDLF, AZ/CA, 24	24.00	28.00
LETTCE, GRNLF, AZ, 24'S	24.00	28.00
MESCLUN MIX, AZ/CA, 3 LBS	6.50	8.00
MUSHROOM, SHITAKE, 3 LB CTN	14.00	16.00
ONION, YELLOW, NY, 24- 2 LB, M	16.00	17.00
ONION, RED GLOBE, NY, 20- 2 LB	20.00	20.00
PARSNIPS, MI, 20 LBS, M	22.00	26.00
POTATOES, RUSSETT, 50 LB, 70'S	20.00	23.00
SPINACH, FLAT, CA, BNCH, 24	25.00	28.00
SWEET POTATOE, NC, 40 LB CRT	20.00	20.00
TURNIP, PRPL TOP, 25 LB BAG	22.00	22.00

**BOSTON MARKET ORGANIC**

Price Range. Per unit.

CABBAGE, 45 LB, CRT, M-L	33.00	33.00
KALE, BNCH, 12S, CRT	37.00	37.00
MESCLUN MIX, 3 LB, CRT	9.50	9.50
ONION, YELLOW, 50 LB, M/L	28.00	28.00
PEPPERS, RED, 11 LB, CRT	24.00	24.00
PEPPERS, YELLOW, 11 LB, CRT	26.00	28.00
PEPPERS, ORANGE, 11 LB, CRT	28.00	30.00
POTATOES, RUSSETT, 50 LB, 70'S	30.00	30.00
POTATOES, RED, 50 LB, #1, SZ A	26.00	26.00
SPINACH, BABY, 4 LB, CRT	13.50	13.50
SQUASH, ACORN, BU, CRT, M	24.00	24.00
SQUASH, BUTTERNUT, BU, CRT, M	28.00	28.00
SWEET POTATOES, 40 LB, CRT	36.00	36.00

**MIDDLESEX LIVESTOCK AUCTION**

Middlefield, CT - February 25, 2019

	LOW	HIGH
<b>Bob Calves:</b>		
45-60 lbs.	10.00	20.00
61-75 lbs.	22.50	27.50
76-90 lbs.	30.00	32.50
91-105 lbs.	37.50	47.50
106 lbs. & up	52.50	57.50
Farm Calves	110.00	170.00
Starter Calves	n/a	n/a
Veal Calves	110.00	190.00
Feeder Heifers	87.50	120.00
Beef Heifers	66.00	98.00
Feeder Steers	80.00	115.00
Beef Steers	71.00	82.00
Feeder Bulls	115.00	130.00
Beef Bulls	69.00	71.00
Replacement Cows	n/a	n/a
Replacement Heifers	n/a	n/a
Boars	n/a	n/a
Sows	n/a	n/a
Butcher Hogs	n/a	n/a
Feeder Pigs each	44.00	55.00
Sheep each	55.00	130.00
Lambs each	120.00	240.00
Goats each	105.00	360.00
Kid Goats each	80.00	210.00
Canners	up to	56.00
Cutters	57.00	61.00
Utility Grade Cows	62.00	66.00
Rabbits each	8.00	55.00
Chickens each	7.00	42.50
Ducks each	6.00	10.00

**DAIRY CATTLE**

New Holland, PA. Price per animal.

<b>FRESH COWS</b>		
APPROVED	750.00	1300.00
MEDIUM	425.00	750.00
<b>SHORT BRED COWS (1-3 MONTHS):</b>		
APPROVED	500.00	875.00
MEDIUM	400.00	525.00
<b>SPRINGING HEIFERS (7-9 MONTHS):</b>		
SUPREME	1100.00	1150.00
APPROVED	725.00	1100.00
MEDIUM	500.00	700.00
<b>SHORT BRED HEIFERS (1-3 MONTHS)</b>		
APPROVED	700.00	725.00
MEDIUM	625.00	675.00
<b>BRED HEIFERS (4-6 MONTHS):</b>		
APPROVED	550.00	750.00
<b>OPEN HEIFERS:</b>		
300-600 lbs		
APPROVED	260.00	310.00
600-900 lbs		
APPROVED	375.00	550.00
MEDIUM	325.00	410.00

**BOSTON MARKET CUT FLOWERS**

Wholesale, \$/ unit listed

AMARYLLIS, PER STEM, N	3.50	5.00
ANEMONE, BNCH, NL	12.50	12.00
DAFFODILS, 10/ BN, CN	6.50	6.50
HYACINTH, 5/ BN, NL	7.50	8.50
LILIES, ASIATIC, BN, C	12.50	15.00
MUSCARI, 10/BN, NL	6.50	6.50
TULIP, STD, 10/ BN, NJ	5.95	5.95
TULIP, NVLTY, 10/BN, NJ	7.95	7.95

(continued from Page 1)

emption Permit to **Form REG-8R**, *Renewal Application for Farmer Tax Exemption Permit*.

A start-up farmer will initially be issued an exemption permit that is valid for two years from the date it is issued. When the farmer renews the exemption permit for the first time, the farmer may be issued an exemption permit for a period of less than two years. This exemption permit will cover a short period until the next regular renewal date.

#### WHAT PURCHASES MAY I MAKE TAX FREE WITH A FARMER TAX EXEMPTION PERMIT?

You may use an exemption permit to buy goods that will be used only in agricultural production. Qualifying purchases include items such as a farm tractor, truck, or refrigeration equipment if the item will be used only in agricultural production. If an item will be used partly in the agricultural production process and partly for other purposes, it is fully taxable. For example, if you buy a truck or sport utility vehicle that will be used on the weekend to transport farm produce to a regional market and during the week to commute to a job, you cannot buy the vehicle tax free. You have to pay the tax because you will not use the vehicle only for agricultural production.

#### WHEN IS A FARMER SUBJECT TO USE TAX ON PURCHASES?

Use tax is due when taxable purchases are made but Connecticut sales tax is not paid. Goods purchased by a farmer with the farmer tax exemption are not taxable and are therefore not subject to use tax when the goods are used exclusively in agricultural production. However, a farmer is subject to sales and use taxes on purchases of goods that do not qualify for exemption because the goods are not used exclusively in agricultural production. If sales tax is not paid on taxable goods, use tax is owed on those goods.

If you are required to have a sales tax permit, you must report and remit use tax on **Form OS-114**, *Connecticut Sales and Use Tax Return*.

#### MUST I OBTAIN A SALES AND USE TAX PERMIT TO MAKE SALES?

Yes. Any farmer selling goods **must** register for a *Sales and Use Tax Permit* and **must** collect sales tax on the sale of taxable goods. Taxable goods include plants, certain seeds, trees, hay, feed, mulch, fertilizer including manure, livestock, poultry, rabbits, living or cut Christmas trees, wreaths, decorated or carved pumpkins, and flowers. Tax must be collected on all sales unless they are otherwise exempt.

However, if you are exclusively in the business of boarding horses, dairy farming, or raising and selling tobacco, fruit, or vegetables, you are not required to obtain a *Sales and Use Tax Permit*.

#### HOW DO I REGISTER FOR A SALES AND USE TAX PERMIT?

To obtain a *Sales and Use Tax Permit*, complete and submit **Form REG-1**, *Business Taxes Registration Application*, and pay the \$100 application fee (this can be completed online via the DRS [Taxpayer Service Center](#)). The permit is valid for two years and may be renewed without an additional fee.

#### WHAT ARE THE FILING REQUIREMENTS FOR SALES AND USE TAXES?

DRS will notify you of your filing status upon registration. The due date for **Form OS-114** is the last day of the month following the end of the reporting period. A return must be filed for every period, even if no tax is due or no business was conducted for a particular period. A seller may request permission to file on an annual basis if his or her sales and use tax liability is less than \$1,000 per year.

## ADVERTISEMENTS

### FOR SALE

1-R. Blumenthal & Donahue is now Connecticut's first independent NATIONWIDE Agri-Business Insurance Agency. Christmas tree growers, beekeepers, sheep breeders, organic farmers and all others, call us for all your insurance needs. 800-554-8049 or [www.bludon.com](http://www.bludon.com)

2-R. Farm, homeowner and commercial insurance—we do it all. Call Blumenthal & Donahue 800-554-8049 or [www.bludon.com](http://www.bludon.com)

3-R. Gallagher electric fencing for farms, horses, deer control, gardens, & beehives. Sonpal's Power Fence 860-491-2290.

4-R. Packaging for egg sales. New egg cartons, flats, egg cases, 30 doz and 15 doz. Polinsky Farm 860-376-2227.

5-R. Nationwide Agribusiness Insurance Program, endorsed by the CT Farm Bureau, save up to 23% on your farm insurance and get better protection. References available from satisfied farmers. Call Marci today at 203-444-6553.

14-R. 1 Rain-Flo 2600 series II mulch layer. Row track, raised bed, drip. Like new \$3,500. Call 203-623-2694

18-R. Work and Live in an Organic Farm-Centered Co-housing Neighborhood. New energy efficient neighborhood in Bethany. [www.rockycorner.org](http://www.rockycorner.org)

### WANTED

6-R. Livestock wanted: Dairy cattle, heifers of any age, beef cows, bulls, steers, feeder cattle, veal, groups of sheep and goats. [RyanM01@comcast.net](mailto:RyanM01@comcast.net) or 860-655-0958. If no answer, leave message. All calls returned.



**CONNECTICUT  
GROWN**  
CTGrown.gov

### NORTHERN CONNECTICUT AGRICULTURAL SUMMIT

Bryan Hurlburt, Executive Director of the Connecticut Farm Bureau Association will be the Keynote Speaker at the Northern Connecticut Agricultural Summit.

The "Farming for Future" summit will be held Saturday, March 2, 2019, 8:30 a.m. – 1:00 p.m. at Asnuntuck Community College, 170 Elm Street, Enfield, CT.

Mr. Hurlburt will be speaking at 8:45 a.m. followed by seminars with information geared toward current and prospective farmers in Hartford and Tolland Counties.

The seminars include information on state grants, produce safety, establishing a CSA, financing and credit, beekeeping, hydroponics, commercial kitchens, social media, and technology.

Exhibitors will provide information about products and services. The summit is free of charge and sponsored in part by Asnuntuck Community College and ShopRite of Enfield.

Doors open at 8:15 a.m., keynote speaker at 8:45, seminars begin at 9:20 a.m. and exhibitor tables are open from 8:30 a.m. to 1:00 p.m. Pre-registration is not mandatory but requested.

Registration forms are available at [www.enfield-ct.gov](http://www.enfield-ct.gov) or by contacting Chris Casey at [cwsmcasey@gmail.com](mailto:cwsmcasey@gmail.com) or 860-698-6267.

## TRUCK SAFETY AND COMPLIANCE

The Hartford County Farm Bureau is sponsoring an educational program regarding truck safety and compliance for the agricultural industry. The program will be held Saturday, March 16, 2019, 8:00 a.m. - 1:00 p.m. at Nutrien Ag Solutions, 15 Chamberlain Road, Broad Brook, CT.

Program content will be both indoors and outdoors with trucks and trailers on-hand to review truck safety. Two CEU's will be available for Connecticut Certified Forest Practitioners. The program is free but registration is required by March 8, 2019. To register call 860 768-1100 or email [joann@cfba.org](mailto:joann@cfba.org).

## FARM ENERGY WORKSHOP

The Connecticut Resource Conservation & Development Area (CT RC&D) will host a Farm Energy Workshop Monday, March 11, 2019, 6:00 - 8:00 p.m. at Bishop's Orchards, 1355 Boston Post Road, Guilford, CT.

The workshop will provide information about ways to save energy and money for farm operations. Connecticut has energy efficiency and renewable energy programs and incentives eligible to farmers. The workshop will include information from Energize Connecticut, and presentations from Litchfield Geothermal, the Connecticut Farm Energy Program, and Independence Solar.

A round table discussion about agriculture in the South Central Region of Connecticut will be held before the workshop from 5:00 - 6:00 p.m. The event is free and pizza will

be offered. Please register for the workshop by March 8, 2019 by contacting Amanda Johnson at 860-345-3977 or [ajohnson@ctrctd.org](mailto:ajohnson@ctrctd.org).

## AG DAY AT THE CAPITOL REGISTRATION OPEN

The Connecticut Agricultural Information Council (CAIC) invites agricultural non-profits, agricultural producer associations, agricultural cooperatives, federal and state agricultural agencies, and Connecticut municipalities to register for Ag Day at the Capitol.

Ag Day will be held on Wednesday, March 20, 2019 from 10:00 a.m. to 1:00 p.m. in the North Lobby and Hall of Flags at the Capitol in Hartford, CT. The snow date is March 21, 2019. Registration and payment to participate in Ag Day is due by Thursday, March 1, 2019. To register for Ag Day at the Capitol go to: <http://ctaginfocouncil.org/index.html>.

## DOAG ACCEPTING APPLICATIONS FOR FARMERS' MARKET AT THE REGIONAL MARKET

The Connecticut Department of Agriculture (DoAg) is now accepting applications for the Farmers' Market at the Regional Market. The 2019 farmers' market season runs from April 1, 2019 to March 31, 2020. Stall use agreements are available for periods of three months up to one year.

Applications and information can be found on DoAg's website at [https://www.ct.gov/doag/lib/doag/regional\\_market/2018/Farmers\\_Market\\_Application\\_2019.pdf](https://www.ct.gov/doag/lib/doag/regional_market/2018/Farmers_Market_Application_2019.pdf). For more information or questions, please contact Erin Windham at 860-713-2543 or [Erin.Windham@ct.gov](mailto:Erin.Windham@ct.gov).

CONNECTICUT DEPARTMENT OF AGRICULTURE

CTGrown.gov

**Advertising Rates:** Fifteen or fewer words: \$3.75 per insertion. More than 15 words: 25 cents per word per insertion. Ads must be related to agriculture in Connecticut and are accepted on a first-come, first-served basis. Payment must be received by noon on Friday before publication the following Wednesday. Make check or money order payable to the Connecticut Dept. of Agriculture, and mail copy and remittance to the department at 450 Columbus Blvd., Suite 701, Hartford, CT 06103. For more information contact [Crystal.Morris@ct.gov](mailto:Crystal.Morris@ct.gov) or call 860-713-2533.

**POSTMASTER:** Send address changes to the Connecticut Department of Agriculture, 450 Columbus Blvd., Suite 701, Hartford, CT 06103.

**Print subscriptions expire Dec. 31, 2019.**

CONNECTICUT DEPARTMENT OF AGRICULTURE  
[www.CTGrown.gov](http://www.CTGrown.gov)  
860-713-2500

Acting Commissioner Melody A. Currey

Agricultural Development and Resource Conservation Linda Piotrowicz 860-713-2503  
[linda.piotrowicz@ct.gov](mailto:linda.piotrowicz@ct.gov)

Regional Market Linda Piotrowicz 860-566-3699  
[linda.piotrowicz@ct.gov](mailto:linda.piotrowicz@ct.gov)

Regulatory Services Dr. Bruce Sherman 860-713-2504  
[bruce.sherman@ct.gov](mailto:bruce.sherman@ct.gov)

State Veterinarian Dr. Mary J. Lis 860-713-2505  
[mary.lis@ct.gov](mailto:mary.lis@ct.gov)

Aquaculture David Carey 203-874-2855  
[david.carey@ct.gov](mailto:david.carey@ct.gov)

**VOL. XCIX  
No. 9  
February 27, 2019**