

**Products Use Notice for  
“I Choose Results” Advertisement  
for Roundup Ready® Xtend  
Crop System**

**Monsanto Company is a member of Excellence Through Stewardship® (ETS).** Monsanto products are commercialized in accordance with ETS Product Launch Stewardship Guidance, and in compliance with Monsanto's Policy for Commercialization of Biotechnology-Derived Plant Products in Commodity Crops. This product has been approved for import into key export markets with functioning regulatory systems. Any crop or material produced from this product can only be exported to, or used, processed or sold in countries where all necessary regulatory approvals have been granted. It is a violation of national and international law to move material containing biotech traits across boundaries into nations where import is not permitted. Growers should talk to their grain handler or product purchaser to confirm their buying position for this product. Excellence Through Stewardship® is a registered trademark of Excellence Through Stewardship.

**XtendiMax® herbicide with VaporGrip® Technology is part of the Roundup Ready® Xtend Crop System and is a restricted use pesticide. ALWAYS READ AND FOLLOW PESTICIDE LABEL DIRECTIONS.** It is a violation of federal and state law to use any pesticide product other than in accordance with its labeling. XtendiMax® herbicide with VaporGrip® Technology and products with XtendFlex® Technology may not be approved in all states and may be subject to use restrictions in some states. Check with your local product dealer or representative or U.S. EPA and your state pesticide regulatory agency for the product registration status and additional restrictions in your state. For approved tank-mix products and nozzles visit [XtendiMaxApplicationRequirements.com](http://XtendiMaxApplicationRequirements.com).

NOT ALL formulations of dicamba or glyphosate are approved for in-crop use with Roundup Ready 2 Xtend® soybeans. ONLY USE FORMULATIONS THAT ARE SPECIFICALLY LABELED FOR SUCH USES AND APPROVED FOR SUCH USE IN THE STATE OF APPLICATION. Contact the U.S. EPA and your state pesticide regulatory agency with any questions about the approval status of dicamba herbicide products for in-crop use with Roundup Ready 2 Xtend® soybeans or cotton with XtendFlex® Technology.

**Roundup Ready 2 Xtend® soybeans contain genes that confer tolerance to glyphosate and dicamba.** Glyphosate will kill crops that are not tolerant to glyphosate. **Dicamba** will kill crops that are not tolerant to dicamba. Contact your seed brand dealer or refer to the Monsanto Technology Use Guide for recommended weed control programs.

Bayer and Bayer Cross Design, Roundup Ready 2 Xtend®, Roundup Ready®, VaporGrip® and XtendiMax® are registered trademarks of Bayer Group. ©2020 Bayer Group. All rights reserved.

MDIC-19040-INPF-0220-LC



# Consider options when transferring farm equipment

**MORE THAN A GIFT:** Farmers have options when transferring equipment to heirs. For optimal tax consequences, equipment could be sold, leased or gifted.

## FARM & FAMILY

BY MARK BALZARINI



HOW TO TRANSFER the farm equipment is a huge question in a farm succession plan.

Options include outright sale, installment sale, gradual sale, lease agreement with a purchase option and gifting.

Factors to consider when choosing the best option are whether the transfer will occur while the farmer is living or after his or her death; the tax basis of the equipment; the amount of recognized recaptured income and capital gain; the income needs of the farmer; the debt against the equipment; and the ability of the incoming farmer to finance the transfer.

Whether the transfer occurs while the farmer is living or after his or her death

has a big impact on the plan. Outright sales or installment sales may be the better options when planning for transfers after the farmer's death. A lease agreement with a purchase option might be best if transferring while the farmer is still living.

The outright sale or installment sale is less attractive while the farmer is living because the equipment has likely been fully depreciated and has a zero tax basis. This means the farmer will recognize all sale proceeds as recaptured income and capital gain at the time of the sale. This is true even if the farmer is going to receive payments from the buyer over a period of time in an installment sale.

This situation changes if the outright sale or installment sale occurs after the farmer is deceased. The reason for this change is the farm equipment will receive step up in basis upon the death of the farmer. This means the tax basis will equal the market value of the equipment

on the farmer's date of death. When the sale occurs, so long as the sale proceeds are not greater than the stepped-up tax basis, the seller will not recognize recaptured income or capital gain.

While the farmer is living, a better option may be a lease agreement with a purchase option. During the term of the lease, the lease payments are considered income. At the end of the lease, if the sale option is exercised, the farmer will recognize these proceeds as recaptured income and capital gain.

Generally, the farmer will have a lower overall tax obligation because the payments were received over a period of years. For this type of lease to be valid, the purchase must be optional, and the purchase price must be close to the fair market value at the time of the sale. Plus, the lease amount must be reasonable.

*Balzarini is an attorney at law with Miller Legal Strategic Planning Centers, P.A. Contact him at [comments@millerlegal.com](mailto:comments@millerlegal.com).*

# Minnesota farms drop to 68,000

THE TOTAL NUMBER of farms in Minnesota in 2019 was 68,000, which was down 500 farms from 2018, according to the USDA National Agricultural Statistics Service's Farms and Land in Farms 2019 Summary report.

About two-thirds of Minnesota's farms reported less than \$100,000 in sales last year.

Total land in farms in Minnesota in

2019 was 25.5 million acres, unchanged since 2017.

Farms in the \$250,000 to \$499,999 sales class showed an increase of 100,000 acres, while farms in the \$1 million and over sales class showed a decrease of 100,000 acres from 2018.

The average farm size in Minnesota in 2019 was 375 acres, an increase of 3 acres from 2018.

The largest acreage increases were in the \$250,000 to \$499,999 sales class, up 18 acres; and in the \$1 million and over sales class, which increased 21 acres on average from 2018.

To read the entire report, visit [bit.ly/USDAfarms\\_2019](http://bit.ly/USDAfarms_2019).

SOURCE: USDA NASS UPPER MIDWEST REGIONAL OFFICE, WHICH IS SOLELY RESPONSIBLE FOR THE INFORMATION PROVIDED AND IS WHOLLY OWNED BY THE SOURCE. INFORMA BUSINESS MEDIA AND ALL ITS SUBSIDIARIES ARE NOT RESPONSIBLE FOR ANY OF THE CONTENT CONTAINED IN THIS INFORMATION ASSET.