Crop Update January 12, 2018

Building Strong and Vibrant New York Communities
Diversity and Inclusion are a part of Cornell University’s heritage. We are a recognized employer and educator valuing AA/EEO, Protected Veterans, and Individuals with Disabilities.
Membership Enrollment is underway! Please contact your respective CCE office to enroll in LERGP.

2018 Winter Grower Conference
Wednesday, March 14, 2018
William’s Center
SUNY Fredonia Campus

Register On-line!
Use the registration form on page 3 or register on-line using the following link:

https://lergp.cce.cornell.edu/event_preregistration.php?event=335

Other dates of interest:
- Wednesday, January 24- Farm Credit Meeting (see Tim’s article in this issue for more information)
  Location: CLEREL
- Thursday, February 15- 9:00am- Reporting Session for Projects and Proposals
  Location:CLEREL
LAKE ERIE REGIONAL GRAPE PROGRAM
2018 GRAPE GROWERS' CONFERENCE REGISTRATION FORM
SUNY Fredonia Williams Center
Wednesday, March 14, 2018
Deadline for registration is Friday, March 2, 2018.

Name (1st attendee) ________________________________ $_______

Farm Name _______________________________________

Address, City, State, Zip Code _________________________________

Phone ____________________ E-mail _______________________

Are you enrolled in Lake Erie Regional Grape Program (LERGP)?  Yes______ No_____

REGISTRATION FEES

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>LERGP Member 1st attendee</td>
<td>$ 50.00</td>
</tr>
<tr>
<td>Additional attendee on same farm</td>
<td>$ 40.00</td>
</tr>
<tr>
<td>Non-member</td>
<td>$100.00</td>
</tr>
</tbody>
</table>

Additional Attendees:

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*$Please add a $25.00 late fee for each reservation made after March 2, 2018

TOTAL $_______

Please make check payable to LERGP (Lake Erie Regional Grape Program) and mail to:
Kate Robinson
LERGP
6592 W Main Rd
Portland NY 14769

Name _______________________________ NY DEC/PA PDA NUMBER________________________

Name _______________________________ NY DEC/PA PDA NUMBER________________________

Date Ck. Rec’d ___________________ Amount ____________________

Call Kate at 716-792-2800 ext 201 with any questions.
LERGP is pleased to announce the addition of Jackie Dresser as the Viticulture Extension Specialist. Jackie is the newest member of a 4-person extension team, which assists area grape growers with the implementation of research-based information, in the areas of Integrated Pest Management (IPM), Business Management and Viticultural Production Practices in their vineyard operations. Jackie started on the research side of LERGP and brings her experience with spatial data analytics, GIS mapping and coordination of viticultural trials involving proximal sensing and variable rate management from her time spent as a research technician on the USDA/NIFA SCRI project “Efficient Vineyard”, a project headed up by Dr. Terry Bates, LERGP Research Viticulturalist.

Jackie was born and raised in the Finger Lakes region and apprenticed with a Land Surveying firm in Ithaca, NY from 2006 to 2012. She passed the first phase of NYS Professional Land Surveying Licensure exams after earning a Bachelor of Science Degree in Land Surveying Engineering Technology from Alfred State College. Working on surveying projects with Finger Lakes vineyard owners led to an opportunity to join the Finger Lakes wine industry, where she was involved in production and sales (both retail and wholesale). She also developed a vineyard-mapping program using proximal sensing to integrate Precision Viticulture technology into vineyard management. Jackie is delighted to be joining the LERGP extension team, and is looking forward to learning all she can about the Lake Erie juice and wine grape industry. Jackie sees crop estimation, at the vineyard level for growers and belt wide for processors, as a critical industry need that can provide the information necessary to make critical management decisions during the growing season.
Typically, we will leave the nitty gritty of taxes to the experts. Tax rates and specific deductions do not generally influence grape and agricultural strategy to a large degree. The recent tax reform was dramatic enough to warrant a look. At some stages during the process the reform looked to be even more dramatic, as far as the direct impact on grape growing was concerned. In particular, the focus on corporate tax rate deduction introduced the possibility of business organizations changing their tax status from pass-through to C-corp. For pass through entities grossing more than 250,000 in earned income, it might make sense to some income to pass through C-Corp tax treatment. As always, consult your tax advisor.

To begin with, a look at the corporate rate. There are a few growers operating as C-corps. If I had to wager a guess their taxes will increase. The corporate tax is now a flat 21%. While the maximum corporate tax rate used to be significantly higher, there were other rates for corporations with modest incomes. That has been replaced by a flat rate of 21%. The 15% marginal rate some farmers may have had has been eliminated.

Welch growers have heard a lot about DPAD. The deduction reduced taxable income by nearly $8,000 per grower. A new deduction was passed to help replace DPAD for cooperative entities that will allow them to reduce their taxable income. This deduction will not pass through to growers and would not significantly benefit cooperatives that do not currently realize income.

The close of 2017 brought a flurry of tax related news. Many changes will impact all taxpayers in similar ways. A few provisions of tax reform will be unique to agriculture. Reform also impacted cooperatives and excise taxes, which result in both direct and indirect changes for grape growers. The 20% reduction in most pass-through income is the big headline change for the self-employed. This reduction impacts only earned income and the reduction does not apply to the amount paid on self-employment taxes.

Another important modification for individuals and pass-through entities is the restructuring of the individual tax brackets. Not all brackets were treated the same but overall, at least for a few years, most people will see a decrease in their marginal rate. It is not a sweeping reduction, so individual results will vary. See table 1 for details.

<table>
<thead>
<tr>
<th>Rate</th>
<th>Individuals</th>
<th>Married Filing Jointly</th>
<th>Change from 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>10%</td>
<td>Up to $9,525</td>
<td>Up to $19,050</td>
<td>Unchanged</td>
</tr>
<tr>
<td>12%</td>
<td>$9,526 to $38,700</td>
<td>$19,051 to $77,400</td>
<td>Reduced from 15%</td>
</tr>
<tr>
<td>22%</td>
<td>38,701 to $82,500</td>
<td>$77,401 to $165,000</td>
<td>Reduced from 25%</td>
</tr>
<tr>
<td>24%</td>
<td>$82,501 to $157,500</td>
<td>$165,001 to $315,000</td>
<td>Reduced from 25% - 28%</td>
</tr>
<tr>
<td>32%</td>
<td>$157,501 to $200,000</td>
<td>$315,001 to $400,000</td>
<td>Changed from 28% - 33%</td>
</tr>
<tr>
<td>35%</td>
<td>$200,001 to $500,000</td>
<td>$400,001 to $600,000</td>
<td>Changed from 33% - 39.6%</td>
</tr>
<tr>
<td>37%</td>
<td>over $500,000</td>
<td>over $600,000</td>
<td>Reduced from 39.6%</td>
</tr>
</tbody>
</table>
Another big change is the standard deduction. The deduction available to taxpayers that do not itemize will nearly double as a result of tax reform. For many, this will be offset by cost of itemized deductions that have been reduced and eliminated. Again, individual results may vary. Many self-employed individuals, particularly in NY and PA, may find that the loss of deductions will more than offset the benefits of the standard deduction and rate reductions. This may be particularly true in moderate to high income situations.

For individuals that do not itemize, a typical grower might earn and pass-through $125,000 of income from the farm to himself as personal income. The pass-through reduction would reduce that income to $100,000. A standard deduction for a married couple would further reduce taxable income to $76,000. Based on the new tax brackets the marginal rate for that grower would be 12%. The average tax rate, not counting self-employment taxes would be below 7%. Even with self-employment taxes, the tax rate for this individual will average less than 21%. For the large majority of grape growers (potentially all grape growers) it remains advantageous to continue to be taxed as a pass through entity rather than a C-Corp.

Since many of these changes are only temporary, perhaps we will revisit this in the years to come. In the meantime, enjoy (but do not abuse) even more accelerated depreciation.
The New York Wine & Grape Foundation is collaborating with Farm Credit East consultants Nathan Rudgers and Gregg McConnell to complete a comprehensive strategic planning process for the organization. From these efforts, the Foundation hopes to learn more about critical issues facing the wine and grape community across WNYS, discover new and innovative ways to assist in dealing with them, and broaden outreach to the community and its supporters.

“The Wine & Grape Foundation is excited to partner with Farm Credit East because of their extensive background and credibility working with New York farmers, particularly the region’s wine and grape growers,” said Sam Filler, New York Wine & Grape Foundation. “The results of this effort will position us to best serve New York State’s growing wine and grape industry.”

The Farm Credit East consultant team tasked with this project will carry out 11 producer meetings across the state’s different grape growing regions to understand the strengths, weaknesses, opportunities and threats that New York’s wine and grape producers feel are facing their industry.

Meetings in the Lake Erie Region will be held on January 24 in the CLEREL meeting room, 6592 West Main Road, Portland, NY 14769.

Juice Grape Grower session will be held from 9:00 – 11:30 AM
Winery session will be held from 1 – 3:30 PM.

Editor’s note: This is an excellent opportunity to come and provide input on what you feel the needs of the juice grape and wine industries in the Lake Erie region are. Do not pass up the chance to have your voice heard during this critical juncture of our industry.

From the information garnered at these sessions, the Farm Credit East consultants will identify key elements to help refresh the mission and vision statements for the New York Wine & Grape Foundation going forward. The vision will position the Foundation to respond to the current research, policy and promotional needs of the wine, juice and grape industry. The consultants will also work with the New York Wine & Grape Foundation to develop goals and objectives that bring the vision to life.

“For more than 30 years, the New York Wine & Grape Foundation has done an effective job of promoting the interests of grape growers and wine production to drive growth in the state’s farm winery industry,” said Nathan Rudgers, Farm Credit East director of business development. “With new leadership in place, the board has wisely chosen to renew the Foundation’s commitment to the state’s grape growing and wine producing industry by engaging in this strategic planning effort.”
Your Opinion is Important!

How many times have you heard that prior to someone asking you to participate in a survey? Well, I do not want to disappoint by not following up and offering you the chance to provide your input on the Network for Environment and Weather Applications (NEWA).

I know that surveys have become the bane of many people’s existence but I will tell you that they are very important when it comes to writing grants and planning educational activities. A lot of the programming put on by the Lake Erie Regional Grape Program and the NYS IPM Program is possible due to funding through grants from external sources like the Lake Erie Processor group (National Grape, Constellation Brands and Walker’s Fruit Basket) as well as, state and federal sources. These groups typically fund projects that address priorities developed by growers and members of the industry. That is why your input is so valuable. Please take a few minutes to fill out the 5-question survey found at the following link.

NEWA Survey 2018

I thank you in advance for your participation in the survey.

If you have any questions, please contact Tim Weigle at thw4@cornell.edu
Crop insurance is a safety net for farmers that helps you manage risk. If you have a crop failure, crop insurance can help you farm again next year.

Important Insurance Deadlines

- **Aug. 15, 2017**: Premium Billing Date
- **Nov. 20, 2017**: Sales Closing, Policy Change, Cancellation, Termination Date
- **Nov. 20, 2017**: End of Insurance Period
- **Jan. 15, 2018**: Acreage / Production Report Date

Over 40 grape varieties are insurable in these counties:

- Cattaraugus
- Chautauqua
- Erie
- Niagara
- Ontario
- Schuyler
- Seneca
- Steuben
- Suffolk
- Ulster
- Wayne
- Yates

Grapes in other counties may be insured by written agreement from RMA

NYS Grape Crop Insurance Performance

For every $1 grape producers spent on crop insurance premiums from 2012 to 2016, they received $2.07 in losses paid, on average

Learn more & sign up:

Explore your personalized crop insurance costs and loss payments under different yield outcomes at [ag-analytics.org](http://ag-analytics.org). To sign up, contact a crop insurance agent. Find an agent using the Agent Locator tool at [rma.usda.gov/tools/agent.html](http://rma.usda.gov/tools/agent.html)
PLEASE PARTICIPATE IN THE ONLINE NEWA SURVEY

EDITORS NOTE: NEWA provides weather and pest model information for a large number of commodities across an ever increasing number of states. It is important for grape growers in New York and Pennsylvania to provide your input into this survey so any improvements to the NEWA website are made with the grape industry in mind. While this is a busy time of year, I encourage you to take the 10 minutes out of your busy day to complete this survey.

The Network for Environment and Weather Applications (NEWA) wants you to take our online survey — it’ll only take about 10 minutes of your time.

Take the survey now:
https://cornell.qualtrics.com/jfe/form/SV_0GRlhOIDI5HwbR3

Whether you've used NEWA's online pest forecast models for years or have never used NEWA at all, we will benefit from your responses. Why? Because we are building a new website at newa.cornell.edu, one that'll be as easy to use on your smart phone as on your desktop, and we want to build it the way you want it to be.

NEWA is an online agricultural decision support system that uses real time weather data, streamed over the internet from 573 weather stations throughout the Northeast, Midwest and mid-Atlantic. NEWA provides insect and plant disease pest management tools, degree days, and weather information for growers, consultants, Extension educators, faculty, and others.

NEWA models and resources are available free of charge, and are used to make informed localized crop management decisions. The NEWA website will be upgraded soon and we want to know what users’, new and old, want and need out of the new website.

All responses are anonymous and confidential and will not be shared with any outside group.

Thank you for participating!

For more information:

Dan Olmstead
315.787.2207
dlo6@cornell.edu

NEWA Coordinator, New York State IPM Program
Cornell University, NYSAES
630 West North Street
Geneva, NY 14456

NEWA is a Partnership of the New York State Integrated Pest Management Program and the Northeast Regional Climate Center.
The Only FRAC Group U6 Fungicide
Labeled for Grapes & Cucurbits
Highly Effective on Powdery Mildew
No Cross-Resistance
Protectant / Preventative Action

FRAC Group 3
Labeled for Grapes
Controls Powdery Mildew & Black Rot
Protectant + Curative Activity
Highly Systemic

Badge SC

High Quality Copper
Excellent Mixing Characteristics
Highly Active at Lower Rates
Enhanced Crop Safety

Mite control on Grapes
Knockdown and Residual

Dave Pieczarka
315.447.0560

Helping farmers to protect their revenue and preserve their equity.
I will show you how crop insurance is a vital part of your overall risk management plan. Utilizing the policy that works best for your unique situation, you can take less risk and enjoy a better quality of life.
WOODS NO TILL VINEYARD DRILL
Available for Rent
Contact Mike @ Larry Romance & Son
716-679-3366
Tractorsales@netsync.net

We sell and service CaseH tractors, Oxbo Harvesters, and Turbomist sprayers. We also custom manufacture single and dual tank sprayers, pre-pruners, brush sweepers, wire winders.
LERGP Links of Interest:

Go to http://lergp.cce.cornell.edu/ for a detailed calendar of events, registration, membership, and to view past and current Crop Updates and Newsletters.

LERGP Web-site:
http://lergp.com/

Cornell Lake Erie Research & Extension Laboratory Facebook page

Efficient Vineyard Web-site:
https://www.efficientvineyard.com/

Table for: Insecticides for use in NY and PA:
http://lergp.cce.cornell.edu/submission.php?id=69&crumb=ipm|ipm

Crop Estimation and Thinning Table:

Appellation Cornell Newsletter Index:
http://grapesandwine.cals.cornell.edu/cals/grapesandwine/appellation-cornell/

Veraison to Harvest newsletters:
http://grapesandwine.cals.cornell.edu/cals/grapesandwine/veraison-to-harvest/index.cfm

NEWA:
http://newa.cornell.edu/
Lake Erie Regional Grape Program Team Members:
Andy Muza, (ajm4@psu.edu) Extension Educator, Erie County, PA Extension, 814.825.0900
Tim Weigle, (thw4@cornell.edu) Grape IPM Extension Associate, NYSIPM, 716.792.2800 ext. 203
Kevin Martin, (kmm52@psu.edu) Business Management Educator, 716. 792.2800 ext. 202

This publication may contain pesticide recommendations. Changes in pesticide regulations occur constantly, and human errors are still possible. Some materials mentioned may not be registered in all states, may no longer be available, and some uses may no longer be legal. Questions concerning the legality and/or registration status for pesticide use should be directed to the appropriate extension agent or state regulatory agency. Read the label before applying any pesticide. Cornell and Penn State Cooperative Extensions, and their employees, assume no liability for the effectiveness or results of any chemicals for pesticide usage. No endorsements of products are made or implied.

Cornell University Cooperative Extension provides equal program and employment opportunities. Contact the Lake Erie Regional Grape Program if you have any special needs such as visual, hearing or mobility impairments. CCE does not endorse or recommend any specific product or service.

THE LAKE ERIE REGIONAL GRAPE PROGRAM at CLEREL
6592 West Main Road
Portland, NY 14769
716-792-2800