

## Cubed Alfalfa Poses Many Pros and Cons

Alfalfa is grown on approximately 25 percent of the cultivated crop land in Yuma County. Many hours of hard labor are involved in growing this alfalfa, and especially in baling and handling.

Machines are now available that can cube alfalfa hay and eliminate all hand labor. Obtaining and maintaining a system such as this requires quite an outlay of capital and there are still unsolved problems involved using these systems.

There are several advantages contained in a cubing operation including: less hand labor, production of a quality product with uniform composition, less feed waste, less storage space required (approximately 1/2

that of baled hay), transport costs are less, and elimination of wire.

Disadvantages of cubing systems include: high cost of specialized equipment required. Cubes cost more to produce per ton and are more expensive to buy than baled hay. Only alfalfa can be made into cubes with present systems. Capacity of cubing machines is somewhat less than for baling machines. Moisture content of alfalfa to be cubed must be less than 12 percent, and there has been some consumer resistance mostly because of premium price asked for cubes.

University of California Agricultural scientists have made careful studies of the economics of cubing vs. baling. The cubing costs they present are based on experience with current machines through the 1965 season.

## HAY HARVESTING COSTS

Cost of Cubing and Baling Hay

Production Rate — 4½ tph

Annual Tonnage — 4050 per machine

	Cost/ton	
	Cuber	Baler
Swathing	\$1.28	\$1.28
Combine windrows		.40
Wafering (inc. water @ \$.24/ton)	4.59	
Baling		2.14
Haul	.82	.82
Weighing	.11	.12
Storage	1.16	.10
Miscellaneous, pickup truck, etc.	.20	.10
Management	.50	.25
<b>Total</b>	<b>\$8.66</b>	<b>\$5.21</b>

—Don Howell, Yuma County Agent

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client money, time, effort and worry, with a minimum chance of future trouble.

10. Know when to run for help and where to go to get it — and get it when you need it.

### Facing Up to the Tax Man

While it is never wise for an accountant to antagonize IRS personnel, it is important that the accountant be so knowledgeable and firm that he has the respect of the IRS personnel with whom he is dealing. Many times the accountant will be in the position of a respected antagonist in his dealings and confrontations with IRS personnel. Many times results of these confrontations will be determined on the basis of the knowledge and the character of the IRS agent involved. As an accountant and a businessman, he should also be a good psychologist.

The client also has responsibilities. First of these is to pay his accountant for services rendered. Let us put this first.

1. Pay his accountant.
2. Keep sufficient records to back up claims for income and expenses, and keep records in detail on all business and personal transactions.
3. Consult periodically with his accountant, especially when any "deal" involving a significant amount of money is contemplated.
4. Explain to his accountant the nature of his farming and ranching business.
5. Know enough about the broad application of internal revenue rules and regulations that he can furnish the necessary information so that his accountant can make out a decent return for him.
6. To "level" with his accountant, recognizing that the information he gives his accountant will be held in strict confidence.
7. To be available when the accountant is making out his income tax return, so he can answer questions that the accountant may ask.

### Three More Kinds of Animals

There are more responsibilities that a client should

have toward his accountant. I have only mentioned the main ones.

Earlier I mentioned IRS personnel, and that the accountant should know whether they are bull elephants, crocodiles, or giraffes. The power available to the IRS agent is frightening. He has almost the entire resources of the United States government behind him. Presumably, he has specialized and expert knowledge on IRS rules and regulations.

Sometimes he uses this power as a bull elephant — uses his power to knock down anything that is in his way through sheer bulk and momentum. Or, he may act like a crocodile, lying in wait on the river banks, lake shores, and stagnant pools, slip into the water, grab his victim from behind and drag him down to drown. Have you ever wondered why the IRS often waits three years before slipping up behind a client and hitting him with a tax suit?

Then some agents are like giraffes, reaching up high into the trees, eating what is available, but leaving enough of the top leaves so that the plant will still live and grow and send out sucker branches so that the giraffe can eat these next year. The IRS has responsibilities to both accountants and their clients. Primary responsibilities of IRS agents are to:

### Four Basic Responsibilities

1. Not violate the rights of the citizen while collecting taxes.
2. Use the rule of reason and not the rule of fear while determining what taxes are due.
3. Make it as easy as possible for the taxpayer and his accountant to get a timely and authoritative answer to tax problems from the IRS.
4. Catch taxpayers' mistakes, and attempt to get them corrected as quickly as possible so that interest, penalties and taxpayer's fears and anxieties do not build up to traumatic levels. The IRS agents have the responsibility of collecting every penny of taxes that is legally due. But they have the concomitant responsibility to see to it that the taxpayer does not pay one penny more in taxes than is legally due.

This is but a brief review of mutual responsibilities of the accountants, taxpayers, and the IRS. It is the duty of all three to be willing and able to meet their responsibilities to themselves and to each other.