

Cash Equivalent Statement

For years one through three, if you use a:

SINGLE CROP (same value, year to year), please fill out one form.

CROP ROTATION (value changes from year to year), please fill out a separate form for each crop year.

Year 1: 20 ____

Year 2: 20 ____

Year 3: 20 ____

| Cash Rent | | | | | | Cash Equivalent | |
|-------------------------------|-------|---|----------------------------------|---|------------|-----------------|----------|
| Equipment or Land Description | Acres | | Rent Per Acre / Equip. Rent Amt. | | Total Rent | | |
| | | X | \$ | = | \$ | | \$ _____ |
| | | X | \$ | = | \$ | | |
| | | X | \$ | = | \$ | | |
| | | | Total Cash Rent | | \$ | | |
| | | | | | | x 10% | |

See page 2 for instructions for cash equivalent crops.

| Cash Equivalent - Crops | | | | | | | Cash Equivalent | | |
|-------------------------|-------|---|------------------|---|-----------------|---------------------------|------------------------------|--------------|----------|
| Description | Acres | | Bushels Per Acre | | Owner % of Crop | Expected Price Per Bushel | Total Cash Received | | |
| | | X | | X | % | \$ | = \$ | | \$ _____ |
| | | X | | X | % | \$ | = \$ | | |
| | | X | | X | % | \$ | = \$ | | |
| | | X | | X | % | \$ | = \$ | | |
| | | | | | | | Total Cash Equivalent | \$ | |
| | | | | | | | | x 15% | |

| Cash Equivalent - Livestock | | | | | | Cash Equivalent | | |
|-----------------------------|----------------|---|------------------------------|---|------------------|----------------------|--------------|----------|
| Type of Livestock Leased | Number of Head | | Owner's % of Livestock | | Value per Animal | Total Value Received | | |
| | | X | % | X | \$ | = \$ | | \$ _____ |
| | | X | % | X | \$ | = \$ | | |
| | | X | % | X | \$ | = \$ | | |
| | | | Total Cash Equivalent | | \$ | | | |
| | | | | | | | x 15% | |

Each beginning farmer (lessee) and asset owner (lessor) on the lease must sign this statement. Legal representatives for a corporation or trust may sign on behalf of that entity.

| | |
|--------------------|----|
| Grand Total | \$ |
|--------------------|----|

Beginning Farmer Signature _____ Date _____

Asset Owner Signature _____ Date _____

Beginning Farmer Signature _____ Date _____

Asset Owner Signature _____ Date _____

Please complete and return to the address below.

NextGen
Nebraska Department of Agriculture • P.O. Box 94947 • Lincoln, NE 68509-4947
Phone: 402-471-4876 • Fax: 402-471-6893 • www.nextgen.nebraska.gov

Cash Equivalent Instructions

The forecasted marketing year average price found on the NextGen website is being provided as a guideline for what a reasonable price expectation may be for the upcoming marketing year and is to be used to calculate the tax credit on a share crop lease.

Applicants shall use the prices corresponding to the nearest date prior to the date their lease was signed. Applicants may elect to use another price, provided documentation and explanation is provided with the application. These forecasted prices should not affect the lease arrangement in any way or actual marketing decisions and should only serve as a means to calculate the tax credit. These forecasted prices, which are based on deferred Chicago Mercantile Exchange (CME) Group futures' prices adjusted for Nebraska average basis and monthly sales patterns, should not be construed as marketing advice or recommendations by NextGen, the Board of Directors, or the Nebraska Department of Agriculture.

The price shall be used for all three tax credit years at the time of submission; however, applicants may revise the price higher or lower by providing documentation, by December 31 of the crop year, of the actual price received or contracted for the grain.

1. The Cash Equivalent Statement may be completed on-line, where the calculations are made for you, or you may print a copy and complete the calculations yourself. Access the Cash Equivalent Statement at <http://www.nextgen.nebraska.gov/forms.html> .
2. If you rotate crops from year to year, complete a separate cash equivalent statement for each year. Enter the year(s) at the top right hand corner of the form.
3. Access our web site at <http://www.nextgen.nebraska.gov/marketing.html> and obtain the price for your specific grain, using the 15th of the month **preceding the date the landlord signed the lease**, enter this price in the "Expected Price Per Bushel" column.

Example: Landlord signs lease March 1, 2019; use February 15, 2019, price.

4. Complete the remaining columns of the table, and the calculations, to determine the cash equivalent.
5. Each person who is named in the lease as a Beginning Farmer (lessee) or as an Asset Owner (lessor) must sign and date the Cash Equivalent Statement. Legal representatives for a corporation or trust may sign on behalf of that entity.

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