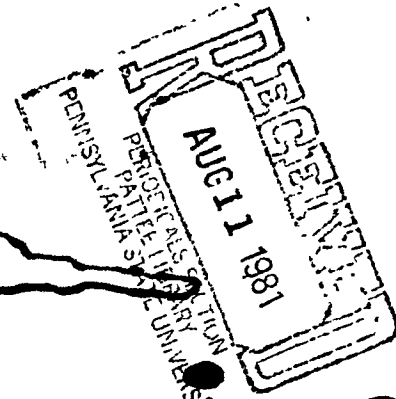


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# Lancaster Farming

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## Reagan signs Tax Act; Farms and farmers profit

BY DEBBIE KOONTZ

LANCASTER — President Reagan signed the Economic Recovery Tax Act, Wednesday — a plan which, according to Peat, Marwick, Mitchell and Co., the international accounting firm, will present immediate tax savings opportunities to a farmer's business as well as to each individual farmer.

The overall effects the Act will have are as yet not entirely clear. But says Steven Hoffman, manager at the accounting firm, "The new tax Act, which is the most radical revision of the tax law since the internal revenue code was amended in 1954, is going to have a substantial effect on virtually everyone's investment strategies and financial and estate planning. "The potential benefits under the Act will not accrue automatically. To take optimum advantage of the changes, careful planning is necessary and the tax payers should begin reviewing the major provisions of the Act to determine the impact it will have

on their financial structure and overall tax planning."

Perhaps the biggest savings for the farm will be the possibility for couples to leave estates worth 1.2 million dollars tax free to heirs and not have federal tax to pay. An entire estate can be given to a survivor with no federal death tax due for surviving spouses of decedants who die after this year.

An estate of up to \$600,000 can be left at death with no federal tax by the mid 1980's. It starts rising gradually next year, moving from \$175,000 to \$225,000.

Also, for decedants to use lower value rules on estates for farms, the decedant needn't have been as active in management operations as was necessary under the Revenue Service interpretation of the law.

Another big change due to the Act is the possibility of writing off buildings over a 15-year period. More depreciation can be claimed in the earlier years than later.

Reagan's new five-year plan  
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First place winners in the Lebanon Holstein Association Field Day judging contest were: from left, Arden Bliss, Men's Division; Sherry Hoffer, Women's Division; Dale Weaver, Junior 14-19 Division; and Kevin Myer, Junior

13 and Under Division (this youngster agreed with Judge William Pettit, far right, on 100 percent of the placings). Also on hand for the Tuesday evening festivities was Lebanon County Dairy Princess Joanne Weidman.

## Lebanon Holstein breeders visit Mil-Harv Farms

BY SHEILA MILLER

BELLEGGROVE — The threat of thunderstorms and the intensely-close humidity that enveloped the fertile Lebanon valley on Tuesday evening did not discourage a large number of area dairy producers from turning out at Mil-Harv farm

for the annual Lebanon Holstein Association field day.

As the dairy families gathered for a fun, informative evening, the uncomfortable weather disappeared as the sun slowly sank below the rooftops of the nearby village homes. But this daily event went unobserved by most of the dairy producers who were gazing intently at three classes of Holsteins rather than a hazy sunset.

The black and white subjects of close scrutiny were the 3-year-olds, dry cows, and heifers belonging to Harvey T. Bomgardner and family. Harvey and Mildred have been farming at the 140-acre home farm since 1947 when they took over for his father.

The current operation, which includes son Mark, 31, and family, son Dave, 18, and daughter Jane, 21, has increased by an additional 100-acre farm, along with another 100 acres of rented ground.

The yellow Dutch-style barn that has been expanded over the years with freestall additions holds Mil-Harv's 104 head of registered Holsteins along with their 75 head of young stock. The 116 stalls are of various designs, some hanging, some homemade, with elevations as high as 17 inches. "I believe in having the cows up and out of the manure," Harvey explains.

The Bomgardners raise all their own feed, 100 acres of alfalfa and 100 acres of corn for haylage and silage with the rest planted to cereal crops. The grain is ground at the farm and batch-mixed — the only thing added that's not raised

by the Bomgardners is the protein — soybean meal.

When it comes time to feed the milking string, not every cow is treated the same. According to son Dave, the cows are split into two groups, high and low, based on production. While they're in the parlor, the high cows are fed 15 pounds of concentrate. Out in the bunk, they receive an additional 5 pounds of concentrate with 30 pounds of corn silage and 20 pounds of haylage.

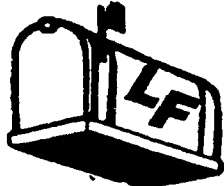
This was the second time in 20 years the Lebanon Holstein breeders were guests at Mil-Harv farm. In those two decades, however, the farm has seen considerable changes and has led the way with innovations.

According to Harvey, his operation was one of the first in the county to have a milking parlor. His first one was installed in 1954, and later replaced in 1970 with a double-six herringbone. He recalls with pride how he had the first bunk feeder in the county — built in 1957 and was the first to install contour strips in his fields. And he

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Ag Progress Days is right around the corner and Lancaster Farming is gearing up to honor the annual event with a special issue, coming out Saturday, August 22. Inside this issue, subscribers will receive a full schedule of events, exhibitor list and a map of where to go and what to see. Advertising deadline for this special issue is Monday, August 17.

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This  
Week's...



It was a real battle at the Berks FFA hog show and the winners are on A36

If you missed going to the Lycoming Fair, read all about it on page C25

Authentic Amish quilts and nostalgia combine to support a one-room school on Page D6

York County 4-H ers anoint new horse show ring Find out how on page D10

## Co-ops, farm groups take stand on HB 767

HARRISBURG — A total of ten farm organizations, dairy cooperatives, and individual farmers testified Wednesday during a hearing before the House Agricultural and Rural Affairs Committee. The session was called to discuss House Bill 767 which would amend the Pennsylvania Agricultural Commodities Market Act of 1968, PL 359, No. 179-1968

Introduced by Representative James L. Wright, Jr. (R-Bucks, 142nd) on March 9, 1981, the bill has met with delays through the course of legislative action. However, Committee Chairman Joseph Grieco (R-Lycoming, Northumberland, 84th) stated he hopes to have the bill on the calendar before the end of September.

What has made HB 767 create such a stir on its way through the democratic process is the fact that this bill would call for some dramatic changes in the agricultural commodities

marketing program.

It would:

- expand the meaning of the term 'producer' to include corporations, associations and other business units in addition to individuals;

- eliminate any reference to volume in the voting of a proposed marketing program. Approval of a program will occur if two-thirds of those voting vote yes on the program;

- eliminate the provision which provides for block voting of a cooperative for its members. Every affected producer would be granted the opportunity to vote;

- eliminate the section that would cause the Secretary of Agriculture to terminate a marketing program when more than 33% percent of the affected producers requested such termination; and

- reduce to three from five years the length of time a marketing program must be in

effect before the Secretary of Agriculture must call for a  
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### HOME AND YOUTH

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### COLUMNS

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### DAIRY

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