

1991 Dairy Assessment Returns Available Now

**STEVE FORD
BOB YONKERS**
PSU Extension Specialists
STATE COLLAGE (Centre Co.)—Dairy farmers have paid an assessment of 5 cents per hundredweight of milk sold in 1991 as part of the Budget Deficit Reduction Act.

All dairy farmers have the opportunity to obtain a refund of that assessment if they meet each of the following criteria: they marketed less milk in 1991 than they did in 1990, they have filed a conservation plan with their local ASCS office, and they apply for the refund at their local ASCS office between Jan. 1 and March 15, 1992.

In most cases the refund will not be very large; a 60 cow herd marketing 15,000 pounds of milk per cow (9000 cwt.) will have paid \$450 in assessments.

However, in cases where the dairy farm is going to produce only slightly more than its 1990 production level, it may pay to reduce the amount of milk sold through early drying off of cows, culling or even milk dumping.

The following worksheet can be used if 1991 marketings will be close to 1990's.

LINE A:
Enter the expected assessment refund. The refund should be equal to five cents times the total hundredweights of milk marketed on the farm. In the example below, 9000 cwt is the expected 1991 farm marketings, which cannot exceed 1990 marketings.

LINE B:
Enter your expected December farm gate milk price (\$/cwt), net of all marketing charges: hauling, coop dues, check-offs, and assessments. Make sure that the five-cent assessment charge is also deducted.

LINE C:
There may be cost savings when less milk is marketed. If a cow is dried off early and culled, there are savings in the feed and supplies that would have gone into that cow and her milk production. Those savings should be entered on line C. If, however, the cow is kept in milk production and the milk is not marketed but is fed to livestock on the farm, for example, then the feed value of the milk should be entered on line C. There would be no other feed cost savings since the cow is still in production. If the milk is simply dumped, then there would be no

cost savings and the value entered on line C should be zero.

LINE D:
Subtract line C from line B and enter the result on line D. This value is the net return per hundredweight of milk that would be given up by reducing marketings.

LINE E:
Reducing marketings in 1991 to receive an assessment refund also affects the base production level

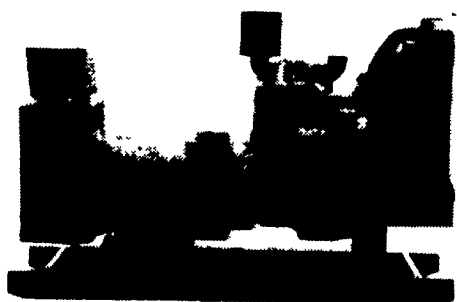
for 1992 assessments. Increasing 1991 production beyond that of 1990 means losing the five-cent assessment in 1991. However, more milk marketed in 1991 means that more milk can be marketed in 1992 while still qualifying for the 1992 assessment refund. 1992 assessments will be refunded if 1992 marketings are not greater than 1991 marketings. The marketing base is determined

by only the previous year's marketing level. The 1992 assessment refund will be at least 11.25 cents per hundredweight of milk marketed (the minimum set in the Budget Deficit Reduction Act) and probably will be more. Enter the expected 1992 assessment on line E to evaluate the effect of reducing 1991 marketings on the potential 1992 assessment fund.
(Turn to Page A30)

1991 DAIRY ASSESSMENT REFUND WORKSHEET

	CULL	"DUMP"	YOUR FARM
A. Expected Assessment Refund	\$450	\$450	_____
B. Expected December Net Milk Price (\$/cwt)	\$13.50	\$13.50	_____
C. Cost Savings from Reduced Milk Marketing (\$/cwt)	\$6.00	\$0.00	_____
D. Net Milk Price (B-C)	\$7.50	\$13.50	_____
E. Expected 1992 Assessment (\$/cwt)	\$0.12	\$0.12	_____
F. Net Opportunity Cost of Reducing 1991 Milk (D+E)	\$7.62	\$13.62	_____
G. Breakeven Milk Reduction (A/F)	59 cwt.	33 cwt.	_____

GENERATORS



**DIESEL
L.P. GAS
P.T.O.
NEW & USED**

**SPECIALIZING IN COMPLETE
AUTO START STANDBY POWER SYSTEMS**

For Sales and Service Call The Manufacturer

MARTIN ELECTRIC PLANTS

RD #2 Pleasant Valley Rd., Ephrata, PA 17522

Tel: 717-733-7968 Fax: 717-733-1981

WEAVER

CEILING & INSULATION

NEW FOR '92'

FOIL-RAY Foil Bubble
Insulation

The Superior Quality
Direct From Holland

Foil Ray Double Bubble - 27¢ Sq. Ft.

Foil Ray-Agri Double Bubble -
29¢ Sq. Ft.

(Special Polyethylene Coated) For Wash Down
Available In 48" and 50" Widths

Ask About Quantity Discounts
And Possible Free Delivery
Call 717-539-2615

LAND PRIDE



Reseeding, Interseeding, and Overseeding With Accuracy And Durability... Only From Land Pride



The Land Pride Solid Stand Seeder features the precision and dependability synonymous with the Land Pride line. Proven fluted seed cups precisely meter grass seed for either slit or broad cast pattern.



Adjustable tuckler tines help promote soil-to-seed contact. A smooth steel roller or solid cast iron packer wheels firmly pack the seed for proper germination. For a high output user accessible overseeder with durability, see the Land Pride Solid Stand Seeder and your Land Pride dealer.

The fine family of landscaping equipment from Land Pride



GROOMING MOWER



ROTARY TILLER



HYDRAULIC RETRACTABLE BOX SCRAPER



REAR BLADE



PULVERIZER

PENNSYLVANIA

Pikeville Equipment Inc.
RD 2, Oysterdale Road
Oley, PA 19547
215-987-6277

Norman D. Clark & Son, Inc.
Honey Grove, PA
717-734-3682

Caldwell Tractor & Equipment, Inc.
480 U.S. Route 46
Fairfield, N.J. 07006
201-227-6772

Nicarry Equipment Co.
RD 2, Rt. 61, 3 Miles
S. of Leesport
Reading, PA
215-826-2441

Tractor Parts Co.
335 Central Road
Bloomsburg, PA 17815
717-784-0250

Loysville, PA
717-789-3117

Straley Farm Supply, Inc.
1760 East Canal Road
Dover, PA 17315
717-292-2631

Rodio Tractor Sales
North White Horse Pike
Hammonton, N.J. 08037
609-561-0141

Keller Brothers
R7 Box 405
Lebanon, PA 17042
717-949-6501

Stouffer Bros. Inc.
1066 Lincoln Way West
Chambersburg, PA 17201
717-263-8424

I.G. Sales & Service
Box 200, Silverdale,
PA 18962
215-257-5135

Frank Rymon & Sons, Inc.
RD 3, Box 355
Washington, N.J. 07882
201-689-1464

1950 Fruitville Pike
Lancaster, PA
717-569-2500

Stoltzfus Farm Service
Cochranville, PA
717-593-2407

NEW JERSEY

Marshall Machinery, Inc.
Route 642
Honesdale, PA 18431
717-729-7117

M.S. Yearsley & Sons
West Chester, PA
215-696-2990

Reed Brothers
Petticoat Bridge Rd.
Columbus, N.J. 08022
609-267-3363

Trenton Ford New Holland
2836 Brunswick Pike
Trenton, N.J. 08648
609-883-7360