

Southwest Iowa Farm Business Association



Larry McAlexander works for the Southwest Iowa Farm Business Association. The non-profit organization began in August 1964 and has four offices in sixteen counties in Southwest Iowa. They help with farm planning and farm income taxes.

The Federal government promotes various policies through taxes. Energy conservation is being promoted this year through a 30% tax credit. First time home buyers are being promoted through an \$8000 tax credit. New car purchases were promoted last year through tax credits on car sales taxes.

The Internal Revenue Service (IRS) is cracking down on tax fraud. They will require people filing taxes for two or more other people to file with the IRS, starting in September. They will perform background checks on those people and will require them to take competency tests in the future. The IRS

has doubled the number of audits they perform and will double it again in the next two years.

Larry said that crop agriculture has performed very well in the past year and a half. He expects to see a slowdown soon. Livestock has been performing poorly during that same time period. Agriculture seems to follow a 7-10 year cycle.

Larry works with 130-160 farmers each year. He performs a full financial analysis on about 60 of those customers.