

We Recorded the Webinar Just for You!

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The Tax Cuts and Jobs Act of 2017 and the resulting Section 199A provision have major implications for agricultural cooperatives. The tax rate changes impacts the optimal profit distribution choices for agricultural cooperatives. The Section 199A provisions creates possible benefits for the cooperative but also the possibility that producers can be disadvantaged by marketing through a cooperative. In short, tax reform has created the need to re-analyze financial choices.

Cooperative boards have a lot of possible choices in sharing profits, cash flow and tax deduction between the cooperative firm and the members. Members expect the cooperative leaders to make the best possible choice and one that maximizes their long-term benefit. The best choice is unique to each cooperative. The starting point at determining that best choice is to get the information to understand the issues.

On January 16, 2019 our academic research group along with NCFC, OACC and a large group of other co-sponsors hosted free webinar on The Impact of Tax Reform and Section 199A on Agricultural Cooperatives. I presented my research results based on representative cooperative firms and representative members. An Iowa-based auditor discussed the key decisions for the board and another expert report on how cooperatives across the U.S, are responding. The webinar was a great opportunity for a better understanding of the opportunities and pitfalls resulting from tax reform.

If you would like a copy of webinar presentation materials, drop me an email at phil.kenkel@okstate.edu.

We also recorded the webinar and it is available at the link below. Let me know if you have questions on the material and issues presented.

<http://dasnr.adobeconnect.com/pq0l25qjy6fv/>

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