

**ILLINOIS VALLEY SUPPLY, LLC**  
**APRIL 2007**



Greetings from the "Valley"!

At this time we are probably thinking about the cold weather, but it is past and there really isn't anything we can do about it. There, of course is the managing of some of the things it has left us with.

There, however, is a very big issue that some action is going to be taken on in our State Capitol in the next few weeks, maybe even days. Governor Blagojevich is proposing a **Gross Revenue Tax** on all businesses with sales of \$2,000,000 and over, including farms, in the State of Illinois. Just because your sales are less than \$2,000,000, don't be fooled into thinking it won't affect you.

First of all it **will be devastating to rural communities in Illinois.** We will mainly address what it means to you as crop and livestock producers. Don't buy into the idea that it is only a tax on big corporations who don't pay their fair share. That is pure B.S. Some examples are: according to the Illinois Pork Producer's Association, **it will add \$1.12 to cost of producing a hog;** according to Illinois Beef Association, **it will add \$9.58 to produce a steer.** According to the Illinois Fertilizer and Chemical Association, **it will add \$5.29 per acre to the cost for an acre of corn, and \$2.75 cost per acre of soybeans.** Then if you are large enough producers with gross sales of \$2,000,000 it will tax you on your sales also.

This tax will wreck havoc on local businesses. For example, ask Chris Howard at the Carrollton Elevator, or Dave Lewis from Tri County FS what it would do to their business. **Please let your state senator Deanna Demuzio from Carlinville (phone 217-854-4441) and state representative Jim Watson from Jacksonville (phone 217-782-1840) know the drastic affect it will have on you and your family.** The proposal will add about \$7,000,000,000 in taxes for businesses and residents of Illinois. Also, it puts a disproportionate share of that bill on agriculture. I repeat; don't believe that B.S. that it is a tax on large corporations and that the little guys don't have to pay. It's your government, it's your community, it's your livelihood, **please stand up and be heard.**

*John*

### **STEVES CORNER:**

Many of you are getting **crop insurance papers** in the mail. These documents state the coverage that you have chosen for 2007. It is very important to **look at these documents and verify** your name, your spouse's name, ss#, as well as your type and level of coverage. If you need to make changes, call me and we will get it changed. Also, April 15 was the deadline for turning in 2006 production, if you haven't done so, get with me ASAP. One exception, for many of you, is that if you had a claim in 2006 then your production is already accounted for. The next major thing coming up for the insurance is acreage reporting. I suggest that when you go to the FSA office to certify your acreage for 2007 you get a copy of the 578 and bring it to my office along with your insurance acreage report and we can get it sent in. Also remember for those of you with RA, CRC, and APH policies that you have replant coverage with these policies. Therefore if you need to replant, turn it in to me as soon as possible and we will begin the work.

### **Hail Insurance:**

Now is the **time to consider purchasing Hail insurance on your wheat, corn and soybeans**. I suggest that if you have no other type of crop insurance or GRIP that you carry the max amount of insurance possible. If you have revenue type coverage, I suggest that you insure the gap between your level of coverage and the actual value of your crop. For example if you have proven yield of 150 x \$4.06 (spring price) x 70% = \$426.00/acre however your actual value of your grain is 150 x \$3.60 (Jan. cash) = \$540.00.

So I would insure the difference between \$540 and \$426 which is over a \$100 therefore, I would buy \$200 worth of hail insurance. Also, with our hail insurance you can buy a greensnap/extra harvest endorsement, this adds about .60 per \$100 dollars worth of coverage.

### **Side dress 28%:**

Remember that we have a **high clearance 28% applicator** that is **available** to apply additional nitrogen to your corn crop. This may be a year to consider the use of this tool in areas that you feel you have lost some of your nitrogen due to prolonged wet areas in the field. You can also use this as part of a split-shot nitrogen application where you apply 75% of your N with preplant anhydrous and apply the last 25% with this 28% applicator. This can save you money on your nitrogen input as well as make more efficient use of your nitrogen.



**NAU Country Insurance Company**

### **CLAYTONS' CORNER:**

As I begin writing this newsletter, I looked back at my notes from one year ago to see what was going on. I found that there was some planting that started around March 28<sup>th</sup> and almost all of the corn planting was finished by April 21<sup>st</sup>. Of this planting time frame, most of it was accomplished between April 7<sup>th</sup> and the 16<sup>th</sup>. At first I felt nervous after reviewing these notes, but then I realized it is only April 14<sup>th</sup> and we are just entering the prime planting time for corn.

But as they say “every year is different” and when our **soil conditions and temperatures are ideal**, then it will be **time for us to plant** once again. I have had many questions in the last two weeks of “should I plant or wait”? My answer to everyone is; if the soil conditions are correct and the soil temperature at 2 inches measures in the 45 to 50 degree range, then Yes. But when I say No, it is due to my concern of getting the seed germinated quickly and getting the radicle and seminal root systems established without stress or restrictions. When our seed lays there for a long period of time, or we have side wall compaction from the very beginning, is when I get concerned with the seed vigor and health. **When we start planting, we are laying the foundation for the rest of the growing season when we put that seed in the ground.**

I am a huge fan of planting early, but in my opinion **getting it done properly is the most important thing.** With that being said, I am attaching a spreadsheet on the back that the University of Illinois has put together on planting dates and percent of maximum yield to help reassure producers of planting times.

These are just all things to think about as we begin our 2007 corn crop in a not so favorable planting spring, thus far.

Once planting does come, please remember if you **have returns to let us know as soon as possible** or if you need corn or soybeans to contact us the day before you need it, if all possible, so we can work to cover your specific needs. We are still in good supply of soybeans but if you know of any changes or additions you will need to make please try to let us know as soon as possible so we can address those issues.

If you have any other question on seed availability, or anything else, please give me a call.

