

1 Basic filing requirements for federal income taxes - Who must file federal income tax returns?

	Question	Answer	Action	Conclusion/Training Recommendation
1	Is the client (are you) currently filing federal income tax returns reporting farming/ranching income and expenses?	Yes.	Skip to Question 3.	
		No.	Go to Question 2.	
2	Where on the tax return is the income reported?	Unknown, Other Income, Schedule C	-->	Training #1 recommended.
		Schedule F, Schedule E (for passthrough income from a partnership or S-Corporation), or Form 4835.	-->	Training #1 is recommended if there are often farm losses, otherwise it may not be of value.
3	If the client (If you) are not yet receiving or not reporting farm/ranch income or loss? Why is that?			
		Because they (you) are still researching, exploring or developing their (your) business.	-->	The farm/ranch business has not begun or it is in the start-up phase. Training #1 is highly recommended.
		Because they (you) believe the activity is a hobby or have been told it is a hobby.	-->	If they (you) intend to one day have any income from farming/ranching, Training #1 is highly recommended.

<p>Because they (you) are not offering their (your) products for sale.</p>	<p>--></p>	<p>If they (you) intend to one day have any income from farming/ranching, Training #1 is highly recommended.</p>
<p>Because they (you) did not see the point of reporting since it was a loss.</p>	<p>--></p>	<p>If they (you) intend to one day have any profit from farming/ranching, Training #1 is highly recommended.</p>
<p>Because they (you) understand their (your) farming/ranching activities as cultural activities or a way of life and don't think about it in terms of "business" or "profit" or "hobby".</p>	<p>--></p>	<p>If these activities make a meaningful contribution to the household economy and financial well-being Training #1 is recommended and Training #1(a) (COMING IN SPRING OF 2024) is highly recommended.</p>

END