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SOCIAL SECURITY FOR FARM FAMILIES

An amendment to the Social Security Law which was passed by Congress in the summer of 1954 brought most farm operators and farm workers under the program of Federal old-age and survivors insurance. On January 1, 1955, the program became compulsory for all farm operators who make as much as \$400 profit in a calendar year and for all farm workers who earn as much as \$100 cash pay in a year from any one farmer. As of January 1, 1955, cotton gin workers also are included in the program under the same rules that apply to farm workers.

What Is Social Security?

Social Security is an insurance program administered by the Federal Government. Those covered by the program pay into the fund each year a certain percent of their first \$4,200 of income during the period when they are working. In the case of wage earners, the employer also makes a contribution to the insurance fund. Upon a worker's retirement at age 65 or later or at his death, payments are made from the fund to the worker and his dependents or to his survivors.

SOCIAL SECURITY BENEFITS

Average monthly wage ¹	Worker's monthly benefit	Worker and wife	SURVIVORS		
			Widow, child, etc.	Widow and one child	Widow and two children
\$ 45	\$ 30.00	\$ 45.00	\$30.00	\$ 45.00	\$ 50.20
100	55.00	82.50	41.30	82.60	82.60
150	68.50	102.80	51.40	102.80	120.00
200	78.50	117.80	58.90	117.80	157.10
250	88.50	132.80	66.40	132.80	177.20
300	98.50	147.80	73.90	147.80	197.10
350	108.50	162.80	81.40	162.80	200.00

¹ After drop-out of up to 5 years of lowest (or no) earnings.

Benefits under the plan vary according to the average monthly wage of the worker and the number of dependents. The accompanying table lists examples of the kinds and amounts of monthly benefits payable under the Social Security Program to those qualifying after August 1954.

How the Program Works

A farm owner or a tenant should apply at the nearest social security office for his social security card. There is no charge for this card. If a social security card had been issued earlier but has since been lost, a duplicate can be obtained. The local post office usually can give information as to the location of the nearest social security office.

Farmers and most farm workers will not pay any social security tax on 1954 income. The first return for self-employed farmers will be early in 1956 and will be on earnings in 1955. However, in order to make this report as accurate as possible, adequate records of income and expenses should be maintained throughout 1955. The tax for self-employed farmers is to be paid at the same time that the income tax return is filed.

Only net earnings are reported for social security purposes. The tax is 3 percent of the net income of the farm operator, except that tax is paid only on the first \$4,200 of net income. Income above this amount is not subject to the social security tax.

If the gross income of a farm operator is \$1,800 or less, he may report the actual net earnings or assume that one-half of the

gross income was net. However, if his gross income is over \$1,800, actual net earnings must be reported. If the net earnings are less than \$900, the operator may report either the actual amount or \$900.

Farm Workers

Persons who do farm work for others and receive cash pay of \$100 or more in a year from one employer also must file a social security report.

The first step for farm workers also is to obtain a social security card from their nearest social security office. This card should be kept in a safe place, preferably carried by the worker, so that it will be available for necessary record keeping by the employer.

The person employing the farm worker will deduct 2 percent of the cash pay for social security tax. The employer will add the same amount as his share of the tax and send the total to the Director of Internal Revenue, along with the necessary forms for reporting social security tax. This report will show the name and social security number of the worker, in order that proper credit will be given to his account in the insurance program. It has not yet been determined when these payments are to be made to the Director of Internal Revenue. Such payments in industry are made quarterly.

An employer who pays a farm worker \$100 or more in a calendar year must deduct the social security tax and make the necessary report. Whenever a farm employer pays a worker less than \$100 a year, he should return to the worker any amount taken out of his pay for social security purposes for that year.

Tenants

Most tenants will be considered farm operators and will report as such. However, in some cases, the rental agreement may be drawn in such a manner as to place the tenant in the position of a worker rather than a self-employed operator.

Most of the customary farm rental agreements in the Southwest would qualify the tenant as an operator. For example, if he is farming on shares, giving the landlord a share of the crops and livestock as rent, he would be considered a farm operator. However, if the landlord makes most of the managerial decisions in operating the farm and gives the tenant a share of the crop for doing the labor, then the tenant would be considered a farm worker and would be covered under that provision of the Social Security Law.

Generally speaking, persons who first come under the Social Security Program in 1955 will become eligible for full benefit payments as soon as they have been under the program a year and a half. Thus, farmers who report for the full calendar year 1955 and one-half of 1956 will be eligible for full social security benefit payments.

Farmers and farm workers can qualify under Social Security by earning the 1½ year of credit, even though they may have already passed their sixty-fifth birthday. Beginning in 1955, a person under 72 and entitled to benefits under the program can earn as much as \$1,200 in any one calendar year and still receive the full social security payments. Moreover, earnings from any kind of investment, such as rent from real estate and investments in securities, do not count in computing the \$1,200 limit. Only earnings from employment or self-employment are counted. After age 72, social security payments may be accepted in full amount, regardless of other earnings.

The program is not particularly complicated in its effect on farmers and farm workers. However, to obtain the full benefits from the program, it will be necessary for farmers and farm workers to keep fairly accurate records of their operations. They should make full use of information available from the social security office and from others who are familiar with the program. Help also may be obtained from county agricultural agents, local bankers,

and others in setting up the most satisfactory method of maintaining farm records.

The program offers considerable security to farmers and farm workers during old age, and complete information should be obtained on the procedure required in order to become eligible for benefits.

Protein-Deficient Rations Lose 29 Calves Per 100 Cows

Experiments at the United States Department of Agriculture's Research Center at Beltsville, Maryland, show that when only two-thirds of the protein requirement of cows was fed during the winter months, the calf crop averaged only 64 percent. However, when sufficient protein was fed to meet the animals' needs, a 93-percent calf crop was dropped.



The amount of protein supplement required by cows varies considerably, depending upon other feed that is available to them. In general, the total amount of protein should be equal to 2½ to 3 pounds of 41-percent protein cottonseed meal per day. On average dry range in the Southwest, bred cows should receive approximately 2 pounds of cottonseed cake per day. This amount should be increased to 2½ pounds per day after calving.

Cattle, Sheep, and Goats Graze Together

Cattle and sheep grazing together each made higher gains than when grazed in separate pastures during tests at the Sonora Agricultural Experiment Station, Sonora, Texas.

The grazing tests covered the period from 1949 to 1954 and included heavy, moderate, and light stocking rates. Cattle were grazed alone in some pastures, while cattle, sheep, and goats were grazed together in others. Only sheep were included in some tests, and sheep and goats, in others.

During the first 2 years of the tests, the cattle grazing alone gained as much as those grazed in combination with sheep and goats. However, in the last 3 years of the tests, the cattle grazed in combination with sheep and goats gained substantially more than those grazed alone or with goats. The average of all rates of stocking for the 5 years showed a weight gain per acre of 10.2 pounds when cattle were grazed alone, 12.0 pounds when grazed with goats, and 12.9 pounds when grazed with sheep and goats.

Sheep also showed higher gains and had heavier fleeces when grazed in combination with cattle. There was little difference in gains in either body weight or mohair in the goats grazed with cattle as compared with the goats grazed with cattle and sheep.

One interesting aspect of the tests was that when goats were grazed in numbers of fewer than six in any pasture, they soon became timid and wild and did not eat sufficient forage for normal gains.

Reports on these 5-year tests do not suggest the reason for the heavier gains with combination grazing, but it is quite possible that the grazing habits of the three kinds of animals are such that they encourage the growth of forage suitable for each other. For example, goats tend to keep brush down, and sheep graze quite heavily on weeds, both of which provide more satisfactory growing conditions for productive grasses — the main cattle feed.

Ranchmen in the Edwards Plateau of Texas have been grazing cattle, sheep, and goats in combination since the turn of the century, but the tests at the Agricultural Experiment Station are the first scientific studies of the relative advantages and disadvantages of such a practice.

Cost of Milk Reduced By Use of Fertilizer

The cost of producing 100 pounds of milk was reduced nearly 15 percent by using pastures that were fertilized properly

during tests at the Texas Agricultural Experiment Substation at Tyler, Texas.



The tests covered a period of 3 years, beginning in April 1951. Two adjoining pastures were used for the experiment—one of 6 acres and the other of 15 acres. At the beginning of the test period, the grasses on both pastures consisted mostly of a fair stand of Bermuda grass; some narrow-leaf vetch; hop, Carolina, and southern spotted bur clovers; and common and Kobe lespedeza.

Each pasture was stocked with three cows of approximately equal age, body weight, and previous record of production. Midway in the tests, the cows were changed to the alternate pasture, in order to avoid any difference in the results due to differences in the animals.

The fertilized pasture received an initial treatment of 290 pounds per acre of 4-12-8 fertilizer and was overseeded with Dixie Crimson clover at the rate of 16 pounds per acre. A year later, 133 pounds per acre of 3-12-12 and the same amount of an 0-20-0 fertilizer were applied. In January 1952, 6 tons per acre of barnyard manure were applied and 6 months later, 100 pounds of ammonium nitrate per acre. In January 1953, 5 tons of barnyard manure per acre were applied, and in July the ammonium nitrate treatment was repeated, using 133 pounds per acre. A final treatment in January 1954 of 1 ton of barnyard manure per acre was applied.

The cost per acre of fertilizer during the 3-year period was \$53.90, or an annual cost of \$17.96 per acre. The total cost of fertilizer, labor, and equipment used on the fertilized pasture during the 3 years was \$323.40.

No fertilizer was applied to the second pasture, and the only labor involved in its upkeep was mowing once each year.

A summary of the results shows that the cows pastured on the fertilized fields produced 6,667 pounds of milk per cow per year, compared with 5,782 on the unfertilized pasture.

In summarizing the results of the tests, specialists point out that, in addition to the 15-percent saving in the cost per 100 pounds of milk produced, the total amount of milk produced was increased 15 percent. Adding the value of this increased production to the reduced cost gives a return of about \$2.25 for each dollar spent on fertilizer. Moreover, a farmer would require only 60 acres of pasture for 30 cows if he were to fertilize it properly, while 150 acres would be required to provide the same pasturage without fertilization.

Publications

Louisiana Agricultural Experiment Station,
Baton Rouge:

Top-Working Pecan Trees, Extension
Publication 1152, by John A. Cox and
R. H. Hanchey.

Oklahoma Agricultural Experiment Station,
Stillwater:

*Using Hybrid Vigor in Producing Market
Pigs*, Bulletin B-415, by James A.
Whatley, Jr., and others.

*The Place of Cotton as a Source of Farm
Income in Southwestern Oklahoma*,
Bulletin No. B-419, by Peter Nelson
and others.

A Portable Milking Barn, Bulletin No.
B-420, by G. L. Nelson and others.

*Midland Bermuda Grass—A New
Variety for Oklahoma Pastures*, Bul-
letin No. B-416, by Jack R. Harlan and
others.

Copies of the bulletins may be obtained
by request to the publishers.

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