



### **Nebraska wheat check-off rate changes**

LINCOLN, Neb – The Nebraska wheat check-off rate will change from a flat rate of 1.25 cents per bushel to 0.4 percent of market value on October 1, 2012. This is the first rate change in more than 20 years.

Nebraska's wheat farmers established the check-off in 1955 as a way to invest in the future of the state's wheat industry. The Nebraska Wheat Development, Utilization and Marketing Board (NWB) serves as the agency which invests the check-off in research, international and domestic marketing, education and federal policy.

The current flat rate of 1.25 cents per bushel, collected at the point of first sale, was set in 1989. However, increasing inflation, decreasing wheat acres and increasing investment costs have created budget shortfalls for NWB in recent years.

“For the past several years we've reduced the budget by eliminating some contracts and reducing funding for others,” said Royce Schaneman, NWB executive director. “But we've reached that tipping point where if we cut any more it would impact the long-term viability of our state's wheat industry. It would do more harm than good.”

The Nebraska Unicameral approved changing the check-off from the flat rate of 1.25 cents per bushel to the percentage based rate of 0.4 percent of total market value. The new rate becomes effective October 1, 2012. However, with harvest for wheat in June and July, the rate change won't affect many producers until the 2013 harvest.



To calculate the new check-off collection amount, use the following formula:

*Bushels to be sold x price = market value. Market value x 0.4% = total check-off collection.*

Producers or first-purchasers with questions regarding the new check-off rates are encouraged to contact NWB with questions.

NWB also encourages first-purchasers to check out an alternative online check-off reporting service available at the Nebraska Department of Agriculture website, [www.agr.ne.gov](http://www.agr.ne.gov). This service will assist with calculating fees due and eliminate manual reporting and the mailing of payments.

The Nebraska Wheat Board is governed by a seven-member board of wheat producers appointed by the governor. NWB administers the wheat check-off levied on wheat marketed in Nebraska, and invests the funds in programs of international and domestic market development and improvement, research, education and federal policy.

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