

User Manual for Reporting Herd Bull Purchases, Sales and Death Losses

1. Bull Purchases

Provides information for the CPA to update the depreciation schedule that report the capital gain on sales or loss from death loss. Provides the information on bull's identity including tag number, registration number, breed abbreviation, birth date, source, cost, purchase date for IRS and comments. The following sheet descriptions show some uses of data.

2. Notes on bull purchase, sales and death Losses.

The annual bull purchases, sales and death loss must be recorded to maintain the depreciation schedule and have the correct purchase and sales.

Herd bulls are a capital asset that are depreciated.

The sales data represents a cash sale but needs to be in a subaccount because it is a capital asset sale.

3. Bull Inventory by Age

The bull inventory summary by age assists in guiding the replacement strategy.

Provide this information to the CPA to update the depreciation schedule and report the capital gain on sales or loss from death loss.

Notes on bull purchase, sales and death losses is good management information.

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4. Uses of Bull Record Data for Management Decision Making

The bull registration number, source and date of birth is valuable decision data. The registration data can be used to fine the EPD information to address questions like should the bull be used on replacement heifers where low birth weight is desired. Information on bull performance is useful in communication with the purchase source producer. When selling replacement heifers or cows providing sire source is useful. Birth date can be used to calculate longevity as long productive lives reduce the cost of bulls. Knowing the bulls age does facilitate development of the annual replacement plan.