# UGA Cotton Team Newsletter
## August 2026

Articles in this month's issue include:



**Additional Base Acre Allocation: What Landowners Need to Know? (*Yangxuan Liu*):** The One Big Beautiful Bill Act creates an opportunity to allocate up to 30 million additional base acres nationwide for covered commodities. Eligibility is based primarily on a farm's planting history from 2019 through 2023. On June 1, 2026, the USDA Farm Service Agency (FSA) began sending Landowner Base Allocation Letters to producers and landowners. [Click here to access the letter.] The letters explain the new base allocation process and provide information about each farm's potential eligibility for additional base acres beginning with the 2026 crop year.

**What Does the Letter Tell You?**

The Landowner Base Allocation Letter provides information about:

- The farm's 2019 – 2023 historical acreage reported to FSA;
- Whether the farm is eligible to receive additional base acres; and
- The maximum number of additional base acres for which the farm may be eligible.

The nationwide allocation is capped at 30 million additional base acres. If total eligible acreage exceeds that limit, allocations will be reduced on a pro rata basis. Therefore, the acreage shown in the letter represents the farm's potential eligibility and maximum allocation acres under the process; the final allocation acres for a farm may depend on the total number of eligible acres nationwide. It is important to note that unassigned base acres will be converted first, and any unassigned base acres converted to covered commodity base do not count toward the 30 million acre cap and are not subject to any proration.

**Review Your 2019–2023 Acreage History**

Because the allocation is based on historical acreage, the information reported to FSA for 2019 through 2023 may directly affect the farm's eligibility and potential allocation.
Landowners should review the Base Allocation Summary for each farm and year, including: Planted acres; Prevented-planted acres; Failed acres; Double-cropped acres; Subsequent acres; and Acres planted

to non-covered commodities. Compare the summary with your own farm records and look for missing or inaccurate information.

**What Should Farmers Do?**

***If the Information Is Correct: No action is required.*** If the Base Allocation Summary accurately reflects the farm's acreage history, eligible additional base acres will be allocated automatically. Farmers do not need to contact FSA to confirm that they agree with the information. The process preserves existing base acres for farmswhile allowing eligible farms to receive additional base acres.

***If the Information Is Incorrect:*** Contact your local FSA county office to request a correction or appeal the information. The deadline for taking action is **August 31, 2026.**

If FSA is not notified by the deadline, the information on the Base Allocation Summary will be considered accurate and complete. The eligible acreage reported in the summary will then be used to determine the farm's base allocation percentage and calculate additional base acres.

***If Subsequent Acres Are Listed:*** If the Base Allocation Summary includes subsequent acres, producers and landowners should review them carefully and determine whether they should be selected for consideration in the base allocation calculation. If changes are needed, contact your local FSA county office before the **August 31** deadline.

**Why Do Additional Base Acres Matter?**

Additional base acres can increase future federal farm program payments and should be viewed as a policy-based risk management tool. In the 5Rs of the Risk Management Model, this represents the **Resources** component, which focuses on leveraging available policy tools to strengthen a farm's financial resilience.

Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) payments are based in part on a farm's base acres when market conditions and program rules trigger payments. Although base acres do not guarantee income, additional base acres may enhance the overall economic value of a farm by increasing potential future government payments under ARC and PLC programs.

**OBBBA Levels the Playing Field for Farm Business Structures (*Yangxuan Liu*):** One Big Beautiful Bill Act (OBBBA) changes how U.S. Department of Agriculture (USDA) payment limitations apply to different farm business structures. On June 2, 2026, USDA released an implementation guideline explaining how this provision will be administered beginning with the 2026 program year.

Under previous USDA regulations, business structure affected the number of payment limitations an operation could receive. General partnerships and joint ventures were permitted to multiply the applicable payment limitation by the number of eligible partners. In contrast, a Limited Liability Company (LLC) or S corporation was generally treated as a single legal entity, regardless of the number of members actively engaged in the farming operation. Consequently, these entities (LLCs and S corporations) were generally eligible for only one payment limitation. As a result, many producers organized as general partnerships to preserve eligibility for multiple USDA payments, despite the additional personal liability associated with that business structure.

To address this imbalance, OBBBA established the Qualified Pass-Through (QPT) Entity classification (Table 1). Eligible QPT entities include Partnerships, Joint ventures, S corporations, and LLCs that are not taxed as C corporations. Beginning with the 2026 program year, QPT entities may qualify for USDA payment limitations based on the number of eligible members, provided each member satisfies USDA eligibility requirements, including the actively engaged in farming provisions. Now, Qualified Pass-Through LLCs and S corporations are treated similarly to general partnerships for USDA payment limitation purposes.

*Table 1. Payment Limitations for Qualified Pass-Through (QPT) Entities Before and After the One Big Beautiful Bill Act (OBBBA).*

| Business Structure | Before OBBBA | After OBBBA |
|---|---|---|
| General Partnership | Payment limitation multiplied by the number of eligible partners | No change |
| Joint Venture | Same as partnership | No change |
| S Corporation | One payment limitation per entity | Now treated like a partnership |
| LLC that are not taxed as C Corporation* | One payment limitation per entity | Now treated like a partnership |

*For C corporations and LLCs that elect to be taxed as C corporations, the payment limitation remains unchanged. These entities continue to be limited to one U.S. Department of Agriculture (USDA) payment limitation per entity.

The new QPT entity provisions become effective for the 2026 program year. As a one-time exception, USDA will determine an operation's business structure based on its organization status as of September 15, 2026. Beginning with the 2027 program year, the business structure determination date will revert to the standard June 1.

**Example**

Consider a family farming operation owned by four siblings, all of whom meet USDA's eligibility requirements. Table 2 below summarizes the changes in payment limitations under different business structures for this family operation before and after OBBBA.

Under the 2026 payment limitation of $164,000 per eligible person for the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) programs, a family farm operating as a Qualified Pass-Through LLC or S corporation may increase its maximum USDA payment eligibility from $164,000 to $656,000, while retaining the liability protection offered by these business structures.

Table 2. Payment Limitation Changes for a Family Farming Operation with Four Siblings Before and After the One Big Beautiful Bill Act (OBBBA)

| | Before OBBBA | After OBBBA |
|---|---|---|
| General Partnership | Four payment limitations | Four payment limitations |
| Joint Venture | Four payment limitations | Four payment limitations |
| LLC* or S Corporation | One payment limitation | Four payment limitations |

*LLCs that are not taxed as C corporations.

**Why Does This Matter?**
The new rules have the potential to substantially increase total USDA program payments for eligible farms organized as Qualified Pass-Through LLCs or S corporations. USDA programs include Agriculture Risk Coverage (ARC), Price Loss Coverage (PLC), and certain USDA disaster assistance programs. Perhaps more importantly, producers no longer have to choose between maximizing USDA program benefits and obtaining the liability protection offered by an LLC or S corporation. Qualified Pass-Through (QPT) Entities give eligible operations greater flexibility to organize their business structures to meet liability protection, legal, tax, succession, and management objectives while maintaining eligibility for multiple payment limitations under USDA programs.
**Disclaimer:** ***This article is for educational and informational purposes only. Because every operation is unique, producers are encouraged to consult with their attorney, accountant, and crop insurance agent before making any changes.***

**Additional Information:**
Federal Register. Payment Limitation and Payment Eligibility. Department of Agriculture, Commodity Credit Corporation, 7 CFR Part 1400, [Docket ID FSA-2026-0100], RIN 0560-AI86. June 2, 2026. https://www.federalregister.gov/documents/2026/06/02/2026-11002/payment-limitation-and-payment-eligibility (accessed July 23, 2026).
Kristine A. Tidgren. USDA Issues New Payment Limitation and Eligibility Rules. Center for Agricultural Law and Taxation. Iowa State University. June 4, 2026. https://www.calt.iastate.edu/post/usda-issues-new-payment-limitation-and-eligibility-rules (accessed July 23, 2026).
U.S. Department of Agriculture, Farm Service Agency. Payment Limitations. https://www.fsa.usda.gov/tools/informational/payment-eligibility/payment-limitations (accessed July 23, 2026).

**Should your Farm Change Its Business Structure? Considerations for Producers after the OBBBA (*Yangxuan Liu*):** The One Big Beautiful Bill Act (OBBBA) has changed the way U.S. Department of Agriculture (USDA) payment limitations apply to different farm business structures. As discussed in my previous article, Limited Liability Companies (LLCs) that are not taxed as C corporations and S corporations may now qualify for payment limitation treatment similar to general partnerships. For many producers, this raises an important question:

**Should I change my farm's business structure?**

The answer depends on the unique circumstances of each operation. Before OBBBA, many farms remained organized as general partnerships because doing so allowed them to qualify for multiple USDA payment limitations. Although general partnerships are relatively simple to establish, they also expose each partner to unlimited personal liability. This means that, under certain circumstances, a partner's personal assets may be at risk for business debts or legal claims.

With the implementation of OBBBA, eligible Qualified Pass-Through Entities (QPT Entities), including LLCs that are not taxed as C corporations and S corporations, may now receive payment limitation treatment comparable to general partnerships. While the new rules remove one of the major disadvantages of operating as an LLC or S corporation, changing a business entity involves legal, tax, and management considerations.

Changing to an LLC or S corporation may provide several advantages, including: 1) Limited liability protection for members against many business debts and legal claims; 2) Greater flexibility for business succession and estate planning; 3) Potential tax planning opportunities, depending on the operation's circumstances; or 4) A business structure that may better accommodate future growth, ownership changes, or additional family members entering the operation. Every farming operation is different, and these benefits should be evaluated in the context of the operation's long-term goals.

**How to Change My Business Structure?**

For producers currently operating as a general partnership, converting to an LLC or S Corporation is generally a straightforward process.

The process typically includes:

1. Filing the appropriate conversion documents with the Secretary of State, including a Certificate of Conversion and Articles of Organization. Paying the applicable state filing fees.

2. Completing any necessary federal tax elections with the Internal Revenue Service (IRS), if applicable. Ensuring the new entity qualifies as a Qualified Pass-Through (QPT) Entity under USDA rules. The entity must be treated as a pass-through entity for federal tax purposes and must not be taxed as a C corporation with the IRS.

3. Updating business records with USDA's Farm Service Agency (FSA), along with lenders, insurance companies, financial institutions, and other business partners.

Although the filing requirements are generally straightforward, the legal and tax consequences can be significant. Producers should work closely with an attorney and tax professional before making any changes.

**What Questions Should Producers Ask before Changing Their Business Structure?**

Before changing a business structure, producers should discuss the following questions with their attorney, accountant, and other trusted advisors:

- Will changing entities affect my taxes?

- How will the new entity impact estate and succession planning?

- Will my financing, leases, insurance policies, or contracts need to be updated?
- Does my current operating agreement or partnership agreement need to be revised?
- How should ownership interests be structured among family members?
- Are all members likely to satisfy USDA's payment eligibility requirements, including the actively engaged in farming and Adjusted Gross Income (AGI) provisions?

**Disclaimer:** ***This article is for educational and informational purposes only. Because every operation is unique, producers are encouraged to consult with their attorney, accountant, and crop insurance agent before making any changes.***

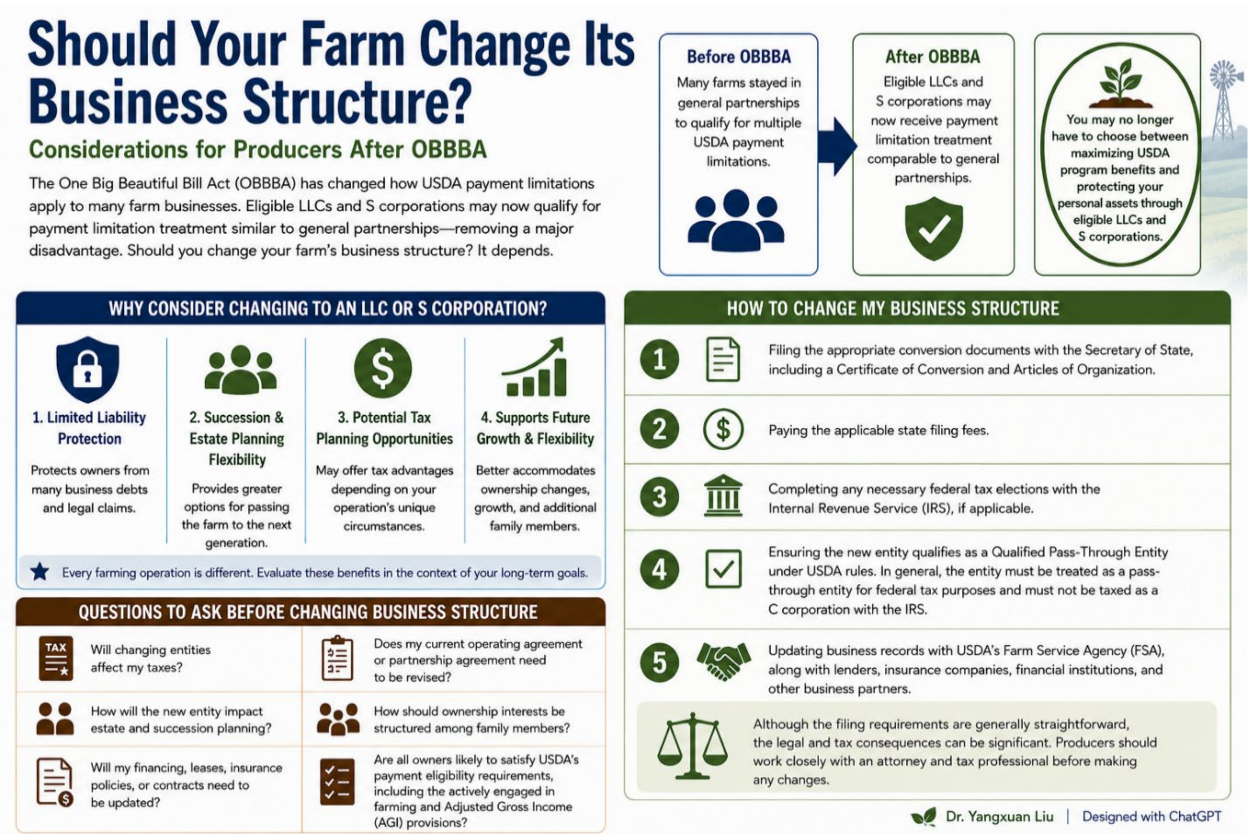



Figure 1. Should Your Farm Change Its Business Structure? (Dr. Yangxuan Liu Designed with ChatGPT).

**Cotton Irrigation Considerations for August (*Wesley Porter*):** Seems like I focus on how every season brings its own challenges and makes it difficult to manage the crop each season - that's just farming though. The best we can do is use the information that we have to make the best decisions for our current situation. Over the last three weeks of July I spent a lot of time on the road, and while driving I have seen cotton from about shin high up to full green canopies in full bloom about chest high. This spread makes it hard to nail down exact water requirements. This does make it difficult to answer questions on irrigation recommendations without the answers to the standard questions of when was your cotton planted, what stage is it at right now, how much rain have you gotten or missed, what is your estimated rooting depth, have you irrigated up to this point, how much, or when was the last application? We have had a mix of rainfall, but with some extreme hot and dry weather over the latter part July. A majority of our crop should be in peak water usage now, if not moving on through it, as shown in Figure 1. The estimated boxes in Figure 1 represent planting dates of April 1, May 1, and June 1 and the corresponding 4 weeks of the month.

Even though peak water demand may have past if the crop was planted during early April, it is critical not to fall behind on irrigation during bloom. It is critical that we continue to monitor the weather and make smart irrigation decisions. Even though water requirements in some fields may be starting to move out of the peak demand, don't get too comfortable, it's always difficult to catch up with irrigation alone. The hot dry weather, and areas that have not received rainfall have depleted deep soil moisture that is near impossible to replenish with irrigation. I have observed soil moisture depletion and lack of replenishment at the 12 to 24 inch rooting depths across the state (until the more widespread rainfall on August 1-2). We were able to replenish the shallower sensor, but continually watch the deeper sensor dry out. It is my understanding that we will be in a relatively dry pattern until about October. Thus, over the next two months, keeping up with the water requirements is very important. The water demand will be reduced as we move on into the season, but it is still critical to have adequate soil moisture during the entire period of bloom and as we approach cutout (3 NAWF). Based on planting date, the weekly water requirement of the crop can range between about 1.0 to 1.5 inches per week based on the UGA Extension checkbook method for cotton. Please keep in mind the weather conditions and how much of an impact they can have on water requirements. In other words, the checkbook method is there to give you a reference as a guide, but this alone should not be used for the final decision. We are entering the tropical storm season and have opportunities for large rain events and even some hit or miss showers. Some days can be of intense heat with low humidity, leading to high evapotranspiration rates and cause the need for higher than recommended water requirements for that week. Conversely, we can receive hot days with very high humidity and overcast conditions which will mean the plant is still using water but the evapotranspiration rate is very low. Plus, with a good canopy closure the ground is well shaded. It's amazing to see crop water use through moisture sensors. The graphical representations of plant water demand and environmental conditions can be an eye-opening experience to witness throughout a growing season. It's human nature at times to question sensor readings when it comes to irrigation scheduling. While it's true that moisture sensors do not last forever and can fail to give accurate data, it should be remembered that a majority of the time the sensors are correct. With most Watermark sensors, accuracy can be simply checked by attaching a meter to the individual sensor probe wires to verify the current readings. The old school method of drilling down with a 1-3-inch auger near the probe, monitoring soil moisture as you drill down, can assist to determine if the sensor is faulty, or giving erroneous readings. If you don't have access to moisture sensors, walking your fields with a shovel or soil probe to investigate available moisture is highly recommended. Again, the checkbook method is just one tool of many tools that can be used to assist in scheduling irrigation.

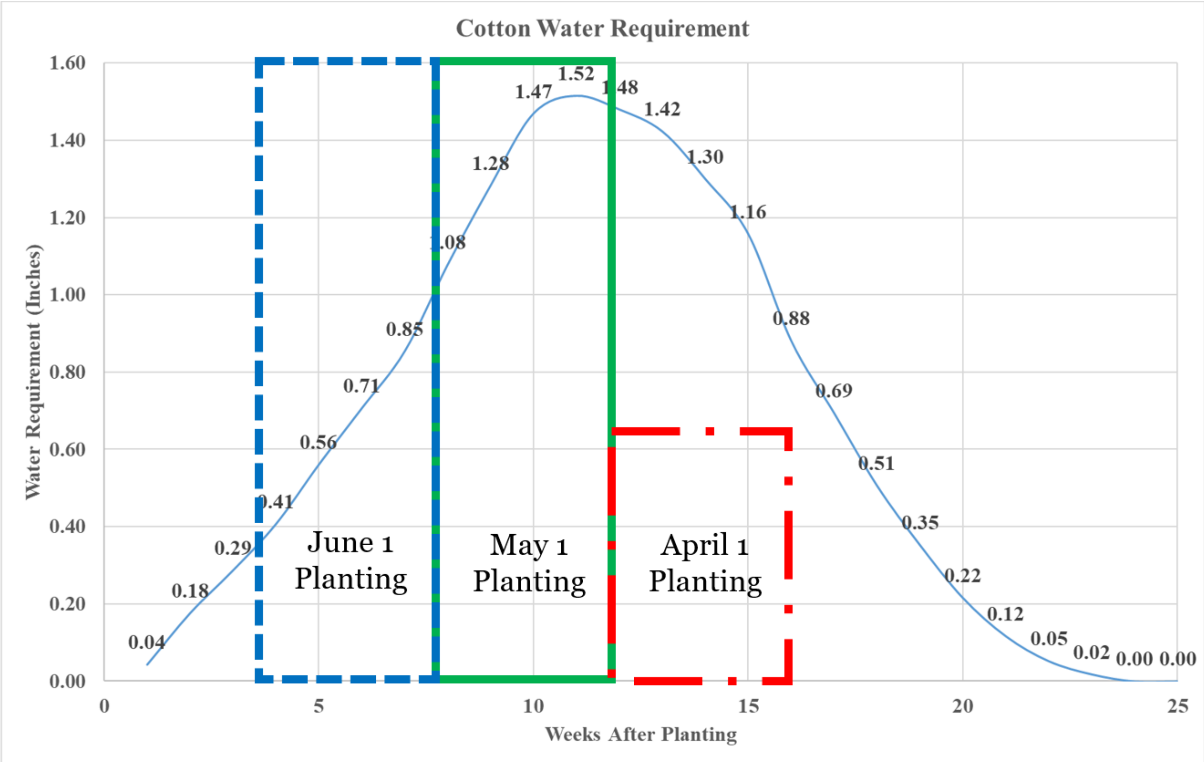


Figure 1. UGA Cotton Checkbook, with the estimated water use period highlighted.

With the recent sporadic heavy rainfalls we have received, many may think we are good for a while. However, with heavy rain events there are a few questions to ask in relation to your soil, how much rain ran off and how much infiltrated? And how much will my soil hold? Both questions are related to the characteristics of your soil which will vary from farm to farm and field to field across the state (data on soils can be found in the UGA Cotton Production Guide Irrigation Chapter). The point is that just because we received 2.5 inches, we may not have but 0.75" or 1" of soil moisture in plant available water according to rainfall intensity and soil conditions.

Another important consideration is root development early in plant development. During extreme variations in weather root development may vary. It is important to maintain adequate moisture within the active root zone. If you aren't seeing moisture being utilized from the deeper depths, be sure to maintain good moisture where the plants are utilizing moisture.

Earlier planted cotton may be moving into the cutout and irrigation termination phase. While, I will write an entire article and blog post on irrigation termination, it is critical ensure there is adequate soil moisture moving into the cutout and first open boll stage. At this point irrigation should be terminated and not continued around the cutout and especially not after the 10% open boll. Research has shown that irrigation after this point is wasted water and profit, other research that will be more thoroughly shared later, has shown that irrigation after cutout does not provide yield benefits.

If you have further questions about irrigation requirements, irrigation scheduling or current water requirements for cotton reach out to your local UGA County Extension Agent.

**Silverleaf Whitefly Management (*Phillip Roberts and Alana Jacobson*):** The initial goal of a successful silverleaf whitefly (SLWF) management is to lower the risk of whitefly infestations. All efforts should be made to minimize the need to treat SLWF with insecticides. Following the guidelines below, especially when done on a community basis, should result in reduced risk of SLWF locally and areawide.

1. Destroy host crops immediately after harvest; this includes vegetable and melon crops in the spring and cotton (timely defoliation and harvest) and other host crops in the fall.
2. Scout cotton on a regular basis for SLWF adults and immatures and use recommended thresholds.
3. The presence of SLWF should influence insecticide selection and the decision to treat other pests.
4. Conserve beneficial insects; do not apply insecticides for ANY pests unless thresholds are exceeded.
5. Avoid use of insecticides for other pests which are prone to flare SLWF.

Several additional factors influence SLWF risk:
1. Leaf pubescence: SLWF prefers hairy cotton. The more leaf pubescence the greater the SLWF risk (semi-smooth varieties are at higher risk than smooth leaf varieties).
2. Planting Date: late planted cotton is at greater risk compared with early planted cotton. This is simply a numbers game as overall SLWF populations increase during the summer months.
3. Environment: hot and dry conditions are conducive for SLWF population growth. Intense rainfall associated with thunderstorms can provide suppression of adults. Extended periods of rainfall will also slow down population growth.

As many of you are aware, we and several agents run whitefly sticky cards around Tifton to monitor SLWF populations. We update the website below weekly with trap captures:
https://stopwhitefly.org/monitoring/

Invariably there will be fields which require intervention of insecticides for SLWF. The goal is to initiate control measures just prior to the period of most rapid SLWF population development (i.e. reproduction in the field). It is critically important that initial insecticide applications are well timed. If you are late with the initial application control will be very difficult and expensive in the long run. It is nearly impossible to regain control once the population reaches outbreak levels.

1. SLWF Threshold: Treat when 50 percent of sampled leaves (sample 5$^{th}$ expanded leaf below the terminal) are infested with multiple immatures (≥5 per leaf).
2. Insect Growth Regulators (Knack and Courier): use of IGRs are the backbone of SLWF management programs in cotton. Effects on SLWF populations are generally slow due to the life

stages targeted by IGRs, however these products have long residual activity and perform very well when applied on a timely basis.

3. Use of other insecticide options (non-IGRs) which have quicker effects on SLWF infestations would be preferred if you are late with the initial spray. These quick knockdown sprays will allow you to "catch up" and can be followed by an IGR.
4. SLWF is an areawide cross commodity problem. When everyone uses an effective management program (regardless of crop) all will benefit.

The table below provides some general information on SLWF recommended insecticides:

| Insecticides | Safety to Beneficials | Control Interval[1] | Life Stages Affected |
|---|---|---|---|
| *pyriproxyfen* Knack | Excellent | 14+ days | Eggs and mature nymphs |
| *buprofezin* Courier | Excellent | 14+ days | Nymphs |
| *acetamiprid* Assail, others | Moderate | 14 days | Nymphs |
| *flupyradifurone* Sivanto | Good | 14-21 days | All stages |
| *pyrifluquinazon* PQZ | Good | 7 days | Primarily adults, some nymphs |
| *dinotefuran* Venom | Moderate | 7-14 days | Nymphs |
| *spiromesifin* Oberon | Good | 14 days | Nymphs |

[1]Control interval dependent on rate, timing of application, reinfestation rate and pest pressure, and beneficial insect populations.
**Do not mix broad spectrum insecticides (bifenthrin) with selective insecticides (IGRs) for SLWF control unless a tank-mix is required to control multiple insect pests.**

**Cotton Jassid Update (*Phillip Roberts and Alana Jacobson*):** We are in a better position today concerning cotton jassid compared to where we were a year ago. To date we have detected jassids in 16 counties in 2026. This time a year ago (August 7, 2025) we had detected jassids in 33 counties. Jassid populations where we detected them a year ago were also present at much higher populations than now.

Thanks to our agents and others in the industry who have been letting us know when and where jassids are detected. We maintain a map of jassid detections online at: https://stop2scl.org/cotton/

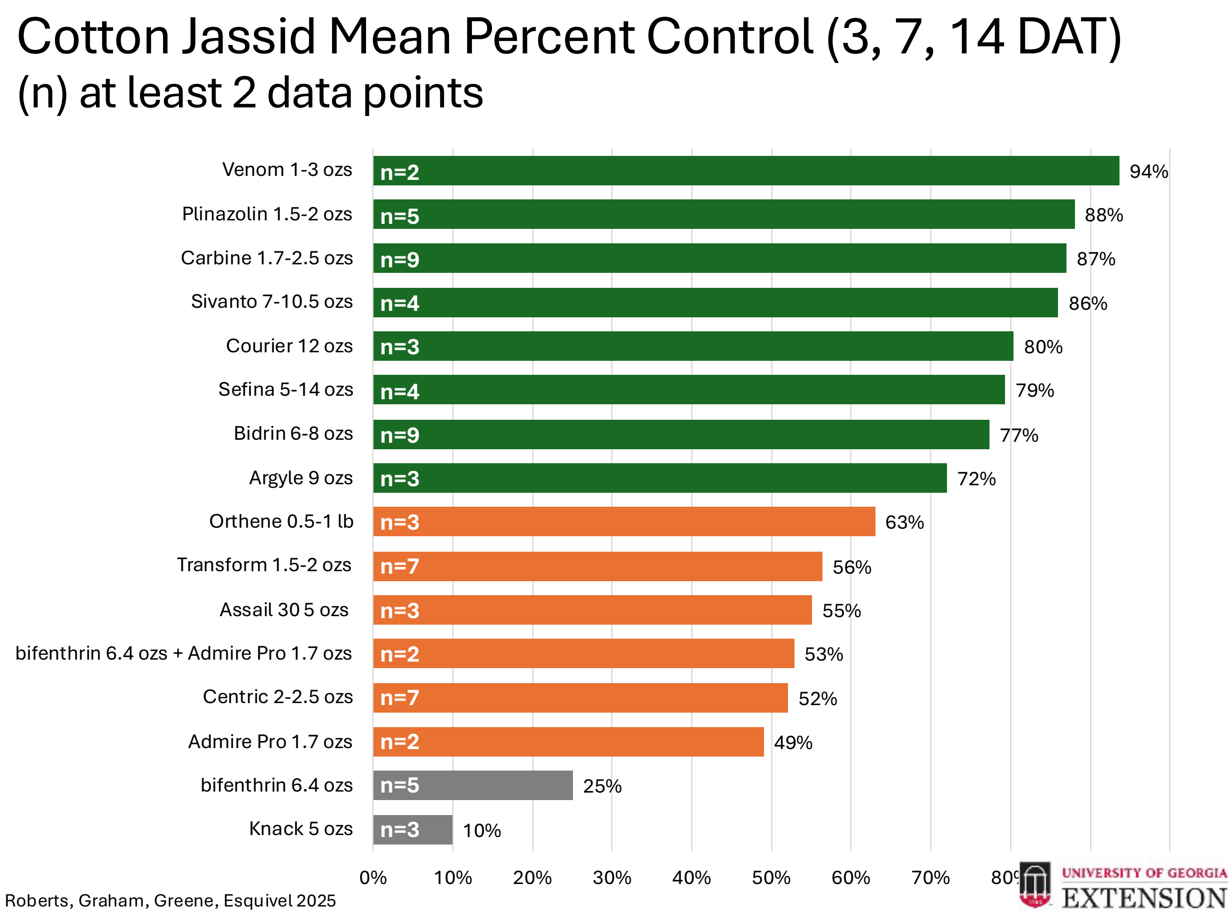
There is no question that the cold temperatures significantly reduced jassids across Georgia. In February a hard freeze occurred over most of Florida that likely reduced jassid populations to the southernmost part of Florida. Initial detections were likely migrating adults which moved in on wind currents. Perhaps 2026 is a best case scenario for jassid as we move forward, but who knows.

We have received a few reports of early hopperburn on field edges and skips in fields. As we move forward scouting is a must and we should all be looking for hopperburn and leaf puckering symptoms. We did receive a report today (August 4th) that a field exceeded threshold for jassid in southeast Georgia. In 2025 the first commercial field treated for jassids was on July 31st but at that time our threshold was much higher than the 1 jassid per leaf threshold we are recommending for 2026.

*Figure 3 Jassid Hopperburn*

*Figure 2 Adult cotton jassid with shed skin to the right, image by Jeremy Kichler*

When scouting for jassids examine the 4th expanded main stem leaf below the terminal. Sample this leaf on a minimum of 25 plants per field (sampling more leaves is better). If jassids reach a mean of 1 jassid per leaf treatment is recommended. Once the threshold is triggered it will be important to make a timely application. As we learned in 2025, jassid numbers and plant injury can progress quickly. If a grower struggles to be timely with an application, you may need to be more aggressive if populations are building. The chart below is a general guide of expected efficacy of insecticides we tested in the southeast during 2025. Some insecticides were tested more than others (i.e. Carbine has 9 data points, Venom only has 2 data points) so we cannot make direct comparisons. But this chart does have some value. I interpret this chart that insecticides highlighted in green would be used if jassids triggered threshold. Products in orange provide suppression but may be of value if a grower cannot come back and make a timely application based on scouting. It is also important to note that bifenthrin will not provide control of jassids. Don't overreact when you detect jassids, scout and use thresholds, and watch trends of how fast populations are building. All this will allow you to make a good decision. As in 2025 we will provide updates of the most current information to county agents.



**Important Dates:**

*Southeast Research and Education Center Field Day – Midville, GA – August 12, 2026*
*Cotton and Peanut Research Field Day – Tifton, GA – September 2, 2026*
*JPC Cotton Field Day – Watkinsville, GA – September 29, 2026*
*Georgia Cotton Commission Annual Meeting and UGA Cotton Production Workshop - Tifton, GA – January 27, 2027*