

Kentucky Horse Council NEWS



March 2007

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MISSION

The Kentucky Horse Council, Inc. is a non-profit organization dedicated to the protection, growth and development of the equine industry and serves as a focal point for equine education and communication in Kentucky.

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NEW --- NTRA Discounts

Announcing a new member benefit --

ALL KENTUCKY HORSE COUNCIL MEMBERS NOW GET NTRA (NATIONAL THOROUGHBRED RACING ASSOCIATION) DISCOUNTS.

Included in these discounts are: John Deere Equipment, Dodge Trucks, UPS Shipments, Office Max supplies, Sherwin Williams paints.

See Enclosed Flyer

Letter from the KHC President -

The weather forecasters said all throughout the 50 degree days of December that we would pay for it in the long run and they certainly were right. I, for one, am weary of the single digit days and frozen water buckets and removing ice balls from feet and cold toes! But, as always, those days are quickly forgotten when I first begin to notice the tiny green buds on the trees and bushes and see the four-legged babies jumping for the pure joy of life. Best of all, it is no longer dark when I feed both morning and evening. And I know that I have made it through another winter in Kentucky.

On many of those single digit nights, Ginny Grulke, Executive Director, and members of the Board of Directors were out visiting with horse groups throughout the state. Jennifer, David and Teresa have been very involved in trail groups. Dr. Bob Coleman has launched the 2007 Horse College series. Margie, Mickey and Hugh have been involved in breed annual meetings. Several of us attended the press conference announcing the University of Kentucky Equine Initiative. At every opportunity, we are sharing information about the Kentucky Horse Council and the exciting new programs already in place and listening to what horse people throughout the Commonwealth would like to see. The response has been overwhelming and we look forward to visiting with many more groups in the next few weeks and months. Please let us know if you would like someone to visit your group.

Our newsletters are filled with information that I hope you will find interesting, informative, and of utmost importance, useful. Plus, I hope you will consider the Kentucky Horse Council web site (www.kentuckyhorse.org) the "go to" place for links and information.

Thank you for continuing to support The Kentucky Horse Council. Please let us know how we can support you.

Madelyn Millard, President
Waterwild Farm



*Thank you to
our KHC
Sponsors*



All-Breeds Council

The Kentucky Horse Council has announced the creation of an ALL BREEDS ADVISORY COUNCIL. This Council provides representation on the KHC Board and helps direct the KHC Programs in ways that can assist breeders and those who show purebred horses of all breeds. We welcome all breeds to this council.

The first meeting date TBA in March. To recommend your breed to the Council, please email director@kentuckyhorse.org.

Liability Signs

The Kentucky Horse Council has a stock of barn and facility equine liability signs which are recommended by state statute. Signs are in heavy-duty vinyl appropriate for outdoor use, measure 18" x 24", and cost \$10 (\$5 members).

Scholarship Deadline

A reminder to parents and students that the deadline for KHC Scholarship applications is May 1st. All students who major in an equine subject are eligible. Visit kentuckyhorse.org for the application forms.

New KHC Equine Association Program

Welcome to our new KHC

Equine Association members --

Knott County Saddle Club (First 2007 Affiliate)
Grant County Saddle Club

Kentucky Natural Gaited Horse Association

What does this mean to you?

If you join the KY Horse Council, you can get a free membership to these clubs.

What does this mean to your club?

If your horse club joins the Kentucky Horse Council as an Equine Association, we will give the club \$10 back on every KHC membership that comes from your club. That means that if your dues are \$10, people can get a FREE membership to your club when they join the KHC!

In addition, we'll provide a webpage (if you don't already have a website) or hosting for your website. And finally, your club will be on the list for priority notification of any promotions or special events from the Horse Council, and be listed on our equine association page in large, bold print.

Call or email us to sign up your club!

859-367-0509 or khc_info@kentuckyhorse.org

TREK Celebrates First Year of Operation

TREK (Trail Riding Equestrians in Kentucky)

was formed in 2006 as a coalition to preserve, expand and promote equestrian trails and campgrounds, and their economic value to Kentucky, while protecting the rights and privileges of recreational equestrians.



On February 3rd, TREK sponsored the 3rd Annual Trail Summit, bringing together speakers from:

Kentucky State Department of Parks,
Kentucky Department of Tourism,
Daniel Boone National Forest,
Mammoth Cave National Park,

Land Between the Lakes – Wranglers Campground,
Back Country Horsemen of Virginia,
Indiana Trail Riders Association,
Mammoth Cave Equestrian Trail Riders Association.

Other active participants included representatives from Kentucky Department of Fish and Wildlife, Army Corp of Engineers along with representatives from Kentucky Trail Riders Association.

For more information, visit:

www.trailridingequestriansinkentucky.com

4-H News

The KY Horse Council has two new programs to benefit 4-H Clubs across the Commonwealth U **4-H Competitive Trail Program**

This new program, co-sponsored by the KHC, offers 4-H members a chance to compete and be recognized for outstanding

performance in Competitive Trail and Endurance riding. Contact Kristen Janicki Harvey at UK for more information (859-257-7501).

U **4-H Club Membership in the KY Horse Council**

When a 4-H Club joins the KY Horse Council, they will be sent \$10 cash for each member who joins the Council as an individual or family. The KHC membership provides the 4-H family with \$1M Excess Liability protection for all their horse activities. For more information, call or email the KHC.



2007 Annual Equine Directory

The 2007 Kentucky Horse Council Directory will be available in April. **THE DIRECTORY IS FREE.** You will be seeing it soon in your area; if not, call the office and we can mail it to you for a \$3.00 shipping charge.

Horse Activities - Business or Hobby?

Horse owners love their hobby. But do activities constitute a business or truly a hobby for tax purposes? The classification has an impact on tax filings. If the activity is deemed a hobby, income earned must be reported, and expenses are only deductible up to the income produced by the activity (further reduced by the 2% itemized deduction limitation). If the activity is carried on as a business, income from the activity is reported and expenses are fully deductible (subject to other tax limitations, such as the passive activity and at-risk rules). Whether the activity is a business or a hobby, records should be kept that clearly document any income and expenses associated with that activity.

It is important to separate a business activity from any other activities (i.e., separate bank accounts or even separate entities should be utilized). The IRS lists nine factors in determining whether an activity is a business or a hobby. These factors include the manner in which the activity is conducted, expertise

of the person or advisors utilized, time spent on the activity, expectation that assets used in the activity may appreciate in value, success of the person in carrying on other similar/dissimilar activities, history of income/losses with respect to the activity, amounts of occasional profits earned, the financial status of the person, and elements of personal recreation derived from the activity. A business does not necessarily need to show a profit, just a reasonable expectation of profits during the lifetime of the business activity. If losses are sustained and the business plan is not being attained, document the reasons for the shortfall (accidents, disease, declining markets, breeding problems). Just because you enjoy the activity does not necessarily mean it constitutes a hobby if it is run as a business enterprise.

For tax purposes, it is important to maintain receipts

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The NEW UK Equine Initiative

The University of Kentucky Equine Initiative is a partnership between the College of Agriculture and the horse industry. It was established through efforts of the Gluck Equine Research Foundation, the Kentucky Thoroughbred Association/Kentucky Thoroughbred Owners and Breeders, and College of Agriculture faculty and administrators.

The program is committed to programs that meet the ongoing needs of the multi-breed Kentucky equine industry. We will collaborate with equine-related organizations and people throughout the Commonwealth to enhance Kentucky's reputation as the "Horse Capital of the World" through education, research and service.

This fall, Dr. Bob Coleman, a longtime valuable board member of the Kentucky Horse Council, was appointed as the Director of Undergraduate Studies for Equine Science. This program is developing academic curriculum for Equine Studies at the University of Kentucky, which in the past had been combined with more general Agricultural Studies.

Bob Coleman is well-known for his "Horse College" which is supported by the Horse Council and which is a traveling educational program for horse owners around the state.

For more information about the Equine Initiative Program, visit
<http://www.ca.uky.edu/equine/>

OVETS 2007

Trail riders, mark your calendar for an extended weekend of riding and learning. **June 21-24, 2007 the Ohio Valley Equestrian Trails Symposium (OVETS-07)** will be held at Midwest Trail Ride in Norman, Indiana. Participants will have the opportunity to camp and ride in the beautiful Hoosier National Forest. Join us and learn about organizing volunteer trail projects, working with land management and government agencies, packing with mules and how to design and maintain trails using heavy equipment.

Visit the KHC website for the latest OVETS-07 agenda: www.kentuckyhorse.org

This program is made possible with the support of the Kentucky, Illinois, Michigan, Wisconsin, Ohio and Indiana Horse Councils.

Jennifer Truax, KHC Trails Committee Chair



Horse College Schedule

Horse College sessions are held at the Extension Offices and are free to county residents. The KY Horse Council provides class materials. Most classes taught by Dr. Bob Coleman, UK College of Ag.

Kenton County: Dan Allen, 859-356-3155
March 8, 22 & April 5

Fayette, Jessamine & Woodford Counties:
Josh Long, 859-257-5582
March 13, 20, 27, and April 3

Johnson County: Brian Jeffers, 606-789-8108
March 12, 19, 26 and April 2

Business or Hobby?

(Continued from page 34)

and records that document the income earned and expenses paid with respect to a particular activity, whether it is a business or a hobby. In general, more detailed records are required if the activity constitutes a business, to document the profit motive of the enterprise. Due to the differing tax treatment, the classification of business versus hobby is clearly one of the most hotly-litigated areas within the equine industry.

Jen Shah, CPA
Dean, Dorton & Ford, PSC

The matters discussed in this article provide general information only. You should consult with a tax advisor about your specific situation before undertaking action based on such general information.



**The Kentucky Horse Council
welcomes Dean, Dorton & Ford,
PSC as a business member!**

EXHIBITION HONORING BLACK HORSEMEN SET TO OPEN

The American Saddlebred Museum, located on the grounds of the Kentucky Horse Park, will be highlighting a seemingly forgotten group of horsemen in its 2007 exhibition. *Out of the Shadows: Bringing to Light Black Horsemen in Saddlebred History* will feature the many contributions made by African Americans to Kentucky's oldest native breed of horse, the American Saddlebred. The exhibition will focus on the achievements of these horsemen which have largely gone unnoticed, unrecognized and uncredited. Black trainers, owners and caretakers from the late 1800s through the 1970s will be featured.

From innovator and racial barrier-breaker Tom Bass, to notables of today such as Mike Spencer, trainer and rider of the 2004 Kentucky State Fair's World's Champion Five-Gaited Mare, black horsemen have had a huge impact on Saddlebred history.

Information about the exhibition and ticketing can be obtained by calling the museum at 859-259-2746 or online at www.asbmuseum.org.

JOIN THE KENTUCKY HORSE COUNCIL

As a member of the KHC, you will help contribute to our educational and scholarship programs. As a member you receive:

-- A \$1M excess liability insurance coverage

-- Discounts thru NTRA on John Deere, Dodge Trucks and SUV's, Office Max and more.

-- Reduced or free admission to KHC events and seminars

-- Bi-monthly newsletters about state issues in the horse industry

-- Eligibility for the "Ride Kentucky Trails" program

-- Eligibility for the KHC Natural Pleasure Class & Open Trail Pleasure Class high point awards each year

Name: _____ Club / Farm / Business (optional): _____
Address: _____
City: _____
State: _____ Zip Code: _____
Daytime Telephone: _____
E-Mail: _____

KHC membership type: [All memberships include the NTRA discount program.]

Individual \$35.00 [Includes \$1M Personal Liability Policy]

Family \$50.00 Number of Members _____ [includes \$1M Personal Liability Policy]

Names of Family Members: _____

Farm as a Business \$25.00 [includes free BOLD listing in the Annual Directory]

Equine Association \$50.00 [\$10 cash back to club with KHC membership, free website hosting, free webpage.]

4-H Club \$15.00 [\$10 cash back to club with KHC membership, free website hosting, free webpage.]

Business \$150.00 [includes your name on the KHC website, directory, ad discount and link to your website]

Sponsor \$500.00 [includes your logo on the KHC website, link to your website, your logo on the KHC newsletter, special recognition at the KHC annual meeting]

FREE Additional Club Membership [choose one] (optional)

Knott County Saddle Club Grant County Saddle Club

Kentucky Natural Gaited Horse Association

**Or JOIN ONLINE
WITH CREDIT
CARD AT:
[www.kentuckyhorse.org/
join.shtml](http://www.kentuckyhorse.org/join.shtml)**

Please complete, enclose payment, and mail to:

Kentucky Horse Council, 4063 Iron Works Parkway, Suite 2, Lexington, KY 40511-1706

Please make checks payable to The Kentucky Horse Council