cownty

DROUGHT-SALE TAX FLAG · FOR YOUR TAX PREPARER · PRINTED 2026-11-01

Drought livestock sale: Lea County, NM

Information only; not financial, tax or legal advice. Ask your tax preparer whether and how IRC §1033(e) or §451(g) applies. FSA decides program eligibility.

Taxpayer: _____ Preparer: _____

IRS drought lists for the applicable region (county + contiguous counties)

Region: Lea County, NM; Chaves County, NM; Eddy County, NM; Roosevelt County, NM; Andrews County, TX; Cochran County, TX; Gaines County, TX; Loving County, TX; Winkler County, TX; Yoakum County, TX. Source: Census county adjacency file.

12 months ending	IRS notice	Region counties listed
2026-08-31	Notice 2026-54 https://www.irs.gov/pub/irs-drop/n-26-54.pdf	Lea County, NM, Chaves County, NM, Eddy County, NM, Roosevelt County, NM, Andrews County, TX, Cochran County, TX, Gaines County, TX, Loving County, TX, Yoakum County, TX
2025-08-31	Notice 2025-52 https://www.irs.gov/pub/irs-drop/n-25-52.pdf	Lea County, NM, Chaves County, NM, Eddy County, NM, Roosevelt County, NM, Andrews County, TX, Cochran County, TX, Gaines County, TX, Loving County, TX, Winkler County, TX, Yoakum County, TX
2027-08-31 (running, through 2026-11-01)	not yet published	Lea County, NM: D2+ 5 wk (2026-09-01 to 2026-09-29); Chaves County, NM: D2+ 9 wk (2026-09-01 to 2026-10-27); Eddy County, NM: D2+ 9 wk (2026-09-01 to 2026-10-27); Roosevelt County, NM: D2+ 4 wk (2026-09-01 to 2026-09-22); Andrews County, TX: D2+ 6 wk (2026-09-22 to 2026-10-27); Cochran County, TX: D2+ 5 wk (2026-09-01 to 2026-09-29); Gaines County, TX: D2+ 6 wk (2026-09-01 to 2026-10-06); Loving County, TX: D2+ 6 wk (2026-09-08 to 2026-10-13); Winkler County, TX: D2+ 6 wk (2026-09-22 to 2026-10-27); Yoakum County, TX: D2+ 4 wk (2026-09-01 to 2026-09-22)

Notice 2006-82: a 4-year §1033(e) replacement period is extended until the end of the taxpayer's first tax year ending after the first drought-free year (12 months ending Aug 31 with no severe, extreme or exceptional drought anywhere in the region). Check the U.S. Drought Monitor archive: droughtmonitor.unl.edu/Maps/MapArchive.aspx

USDA disaster designations naming the county

Designation	Type	Hazard	Approved
S6305	Contiguous	Drought-FAST TRACK	2026-07-28
S6312	Contiguous	Drought-FAST TRACK	2026-07-28
S6240	Contiguous	Drought-FAST TRACK	2026-05-06
S6198	Contiguous	Drought-FAST TRACK	2026-04-24
S6173	Primary	Drought-FAST TRACK	2026-04-10
S6178	Contiguous	Drought-FAST TRACK	2026-04-10
S5949	Primary	Drought-FAST TRACK	2025-03-25
S5953	Contiguous	Drought-FAST TRACK	2025-03-25

Sale numbers (entered by the producer)

Tax year of sale	
Head sold on account of drought	
Head usually sold in a year	
Excess head	
Average price per head	
Proceeds from excess head	
Basis per head	
Gain on excess head	

Only livestock held for draft, breeding or dairy; not poultry or slaughter animals; only the number sold in excess of usual business practice. Bring sale barn receipts, prior-years' sale counts, and the designation numbers above. Arithmetic only; Cownty computes no tax. Producer's own numbers; Cownty stores nothing from this page.