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DROUGHT-SALE TAX FLAG · FOR YOUR TAX PREPARER · PRINTED 2026-11-15

Drought livestock sale: Smith County, TN

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: Smith County, TN; DeKalb County, TN; Jackson County, TN; Macon County, TN; Putnam County, TN; Trousdale County, TN; Wilson County, TN. 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	Smith County, TN, DeKalb County, TN, Jackson County, TN, Macon County, TN, Putnam County, TN, Trousdale County, TN, Wilson County, TN
2025-08-31	Notice 2025-52 https://www.irs.gov/pub/irs-drop/n-25-52.pdf	Smith County, TN, DeKalb County, TN, Jackson County, TN, Macon County, TN, Putnam County, TN, Trousdale County, TN, Wilson County, TN
2027-08-31 (running, through 2026-11-15)	not yet published	Smith County, TN: D2+ 3 wk (2026-10-27 to 2026-11-10); DeKalb County, TN: D2+ 4 wk (2026-10-20 to 2026-11-10); Jackson County, TN: D2+ 3 wk (2026-10-27 to 2026-11-10); Macon County, TN: D2+ 4 wk (2026-10-20 to 2026-11-10); Putnam County, TN: D2+ 4 wk (2026-10-20 to 2026-11-10); Trousdale County, TN: D2+ 4 wk (2026-10-20 to 2026-11-10); Wilson County, TN: D2+ 7 wk (2026-09-29 to 2026-11-10)

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
S6311	Contiguous	Drought-FAST TRACK	2026-07-28
S6239	Contiguous	Drought-FAST TRACK	2026-05-06
S5952	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.