cownty

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

Drought livestock sale: Smith County, TX

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, TX; Cherokee County, TX; Gregg County, TX; Henderson County, TX; Rusk County, TX; Upshur County, TX; Van Zandt County, TX; Wood 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	Smith County, TX, Cherokee County, TX, Gregg County, TX, Henderson County, TX, Rusk County, TX, Upshur County, TX, Van Zandt County, TX, Wood County, TX
2025-08-31	Notice 2025-52 https://www.irs.gov/pub/irs-drop/n-25-52.pdf	Smith County, TX, Cherokee County, TX, Gregg County, TX, Henderson County, TX, Rusk County, TX, Upshur County, TX, Van Zandt County, TX, Wood County, TX
2027-08-31 (running, through 2026-11-01)	not yet published	Smith County, TX: D2+ 9 wk (2026-09-01 to 2026-10-27); Cherokee County, TX: D2+ 9 wk (2026-09-01 to 2026-10-27); Gregg County, TX: D2+ 7 wk (2026-09-15 to 2026-10-27); Henderson County, TX: D2+ 6 wk (2026-09-01 to 2026-10-06); Rusk County, TX: D2+ 9 wk (2026-09-01 to 2026-10-27); Upshur County, TX: D2+ 9 wk (2026-09-01 to 2026-10-27); Van Zandt County, TX: D2+ 5 wk (2026-09-01 to 2026-09-29); Wood County, TX: D2+ 9 wk (2026-09-01 to 2026-10-27)

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
S6284	Contiguous	Drought-FAST TRACK	2026-07-10
S6198	Primary	Drought-FAST TRACK	2026-04-24
S6178	Contiguous	Drought-FAST TRACK	2026-04-10

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.