In addition to mode of action differences, the length of disease control provided by mixture components must be matched to avoid resistance selection. If a short-residual fungicide is included in a mixture for delaying resistance, an interspray of the short-residual chemical probably will be necessary.

If they are available, it is probably much better to use systemic fungicides in mixtures for resistance management. The reason is that the turfgrass plant itself can "unmix" mixtures of contact and systemic fungicides. If you apply a contact/systemic mixture, the mixture will be present on plant surfaces, but the systemic fungicide will be present alone inside the plant. As an example, in the case of a Subdue/Fore mixture, Subdue alone will be acting against **Pythium** that already has invaded the plant. For this reason mixtures of systemics are safer for resistance delay than contact/systemic mixtures.

The management of fungicide resistance in populations of disease-causing fungi is an area where much more research is needed. Additive, synergistic, or antagonistic effects may be possible with particular fungicide mixtures. It is, therefore, important that alternations and mixtures of various fungicides be tested, both for disease control and for resistance delay, in as many use settings and turfgrass/pathogen systems as possible.

Although there is much more we need to know about how we can best use systemic fungicides to avoid disease control failures from fungicide resistance in fungal populations, one thing is clear. We cannot safely use any systemic fungicide repeatedly and exclusively for disease control. Sensible and prudent use of systemic fungicides dictates diversity in chemicals used. Turf managers should be very skeptical of recommendations suggesting that any systemic fungicide can be used alone and continually without risk of resistance problems.

Editor's Note: Brian Bossert sent me this article as a follow-up on work Peter Hahn was doing at Ridgemoor C.C.

"The Good News Is ..."

by Vicki Lynn Sims, C.P.A.

THE GOOD NEWS IS ...

There are many income items which we receive tax-free. These qualify, because of their natures, under the Internal Revenue Code as "income exclusions".

JOB RELATED EXCLUSIONS

These payments benefit the employee, truly serve as compensation, provide a tax deduction for the employer, and are not taxed to the employee. In the case of the non-profit employer (as are many golf clubs), there is no need for the tas deductibility, but any exclusion available to the employee is still important.

MEDICAL COVERAGE

The most common area of income exclusion, this coverage represents TWO nontaxable benefits. We do not pay tax on the value of th premium paid on our behalf, and we do not pay tax on the value of the care provided.

DEPENDENT CARE ASSISTANCE

This is one of the best, but least used, employee benefits available. The employee may exclude amounts paid by the employer for furnishing dependent care on behalf of the employee. The employer directly pays the day care, nursing care, etc., the employer deducts the payment as an employee benefit and the employee is not taxed on the payments. The payments are excludable, up to the amount of earned income (for a married employee, the earned income of the lower earning spouse), subject to a $5000 a year limit ($2500 for married filing separately). Special rules apply to the situation in which one spouse is a student or is incapacitated.

MEALS & LODGING

The value of meals or lodging and utilities furnished to an employee and the employee's family for the convenience of the employer generally is not taxable. The exclusion does not apply if the employee can take cash instead. The exclusion related to housing applies only if the employee must accept the lodging on the employer's premises as a condition of employment.

GROUP LEGAL SERVICES

Amounts contributed by an employer to a group legal services plan may be excluded from income by employees, within limits. This exclusion was scheduled to expire after 1988, but has been extended until September 1990 by this Fall's tax act, the Omnibus Budget Reconciliation Act of 1988 (OBRA).

EDUCATIONAL ASSISTANCE

Employees may exclude the first $5,250 in educational benefits provided under an educational assistance program of the employer. This exclusion was also set to expire after 1988, but has been extended by OBRA until September 1990.

FRINGE BENEFITS

• **No additional cost services** (course play privileges, flights for airline personnel) provided by an employer to an employee for free, or at a reduced price, are excludable from the employee's income provided:

(1) the services are for sale to customers in the ordinary course of business, and

(2) the employer incurs no substantial additional cost in providing such services.

• **Qualified employee discounts** may be excluded if the property or services are ordinarily offered for sale to customers. There are no exclusions for discounts on personal investment or real property.

• **Working condition fringes** include travel advances, the use of a company car, employer provided vehicles and employer provided parking.

• **Travel advances** are excluded if the employee uses the advance for specific activities that are deductible, proves that payment was made, and returns any excess to the employer.

• **Use of a company car** for business purposes is excludable. Some "merely incidental" personal use may qualify as excludable (de minimis fringe), but use of the vehicle to commute, according to the tax code, is to be included in income. There are many employers who do not follow this reporting requirement. That is between them and the IRS, though it is possible that the employee could be assessed tax should a dispute arise.

• **An employer-provided vehicle** used in an employer's business is not included in your income. However, if you also use that vehicle for commuting or other personal purposes, or use it in another trade or business, the value of such use is includable in your income. Please see USE OF A COMPANY CAR, above, for further comment.

• **Parking provided** by the employer may be excluded, whether the employers pays directly or pays a parking allowance to the employee. (cont'd. page 24)

(The Good News Is ... cont'd.)

GENERAL EXCLUSIONS

Life Insurance Proceeds — most are fully excludable.

Death benefits paid — by or for employer — excludable up to $5000.

Gifts & Inheritance — property received ia excludable, but there may be gift or estate tax consequences to the donor or decedent.

Interest on state/local bonds — still generally excludable, with exceptions.

Compensation for injuries or sickness — most workers compensation and law suits awards are excludable.

Disability Benefits — some, but not all, are excludable.

Scholarships & fellowship grants — some exclusion is still available, but rules were changed drastically by the Tax Reform Act of 1986.

Gain on sale of residence — exclusions available related to replacement of home and sale of home by taxpayer(s) age 55 and over.

IMPORTANT NEW EXCLUSION!

Starting for tax years beginning in 1990, some taxpayers will be able to exclude the interest on U.S. savings bonds if they use the bond proceeds for higher education for themselves, a spouse, or a dependent. The exclusion is phased out for higher-income taxpayers. For married filing jointly, the phase-out is from $60,000 to $90,000 of "modified adjusted gross income". The bonds involved must be qualified U.S. savings bonds issued (1) after 12/31/89, (2) to an individual who has reached age 24 before the bond is issued and (3) as Series EE bonds.

Important: The exclusion won't be available to an individual other than the owner of the bonds.

Bonds purchased by a parent and put in a child's name won't qualify, nor will bonds purchased by a grandparent or other relative, even if the bonds are put in the parent's name. If others want to help, the best way is to give the money to the parents and let the parents buy the bonds. For further details, call 1-800-USBONDS.

THE BAD NEWS IS ...

There have been some serious threats to these exclusions, most notably, Section 89. Section 89 was powerful and horrible in that the employee was to be the biggest victim and employer failure to comply. The basic point of the law change was non-discrimination in employee benefits. The problem was a comprehensive set of procedural and non-discrimination rules to apply for certain benefit plans for tax years beginning after 12/31/89. Plans included medical coverage, dependent care assistance, and fringe benefits, among others. If the procedural requirements were not met by the employer, all benefits provided by the plan would have been taxable to the employee. Those benefits were to include the employer cost (such as premiums paid) and the benefits payable under the plan (such as medical insurance reimbursements).

A HAPPY ENDING?

Enough PUBLIC OUTCRY, and heavy lobbying by the professional organizations, including the American Institute of Certified Public Accountants, worked to toss a bad law. Section 89 was repealed this fall, as part of the Omnibus Reconciliation Act of 1989. Also, as part of OBRA, the exclusions for legal services and educational assistance were extended.

For more information, you may order IRS Publication 525 (Taxable & Nontaxable Income) at 1-800-424-FORM.