

4-20-2016

## Bills v. Bills Appellant's Brief Dckt. 42978

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IN THE SUPREME COURT OF THE STATE OF IDAHO

LINELL BILLS,

Plaintiff-Respondent

CV-2012-0000260

v.

JON LOREN BILLS,

Defendant-Appellant

Supreme Court No. 42978

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APPELLANT'S BRIEF

Appeal from the District Court of the Seventh Judicial District for Lemhi County.

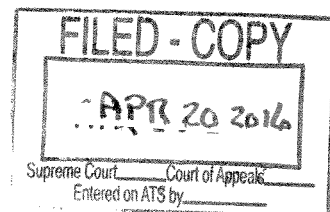
(Honorable Alan C. Stephens, District Judge) presiding.

Jon Loren Bills

Residing at P.O. Box 154 , Concho, AZ, 85924, Pro Se Appellant

Steven J. Wright  
Andrew Wayment

Residing at P.O. Box 50578, Idaho Falls, ID 83405, for Respondent.



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TABLE OF CASES AND AUTHORITIES

Linell Bills v. Jon Loren Bills CV-2012-260.....5, 6

## STATEMENT OF THE CASE

Linell Bills brought this action against Jon Loren Bills for a disposition of assets and recompense for farm expenses.

During the course of the trial the assets of the ranch operation were divided and the judge ordered that Jon Loren Bills recompense Linell Bills for expenses to not include any depreciation expense. The judgment issued included the depreciation expense in the expenses to be recompensed in contradiction to the judge's decision.

## STATEMENT OF THE FACTS

- 1) In the judge's decision of December 31, 2014, Finding of Fact 31(a), the judge stated that "depreciation expenses must be disregarded on each tax return as these expenses are not cash expenses and there was no specific agreement between the parties to include depreciation expenses in the calculation of net profit of the ranch operation."
- 2) In the judge's decision of December 31, 2014, Finding of Fact 38(b), the court used as the farm expenses the total expenses from the tax return without deducting depreciation pursuant to the December 31, 2014 decision.
- 3) In the judge's judgment of December 31, 2014, the judge again used the total expenses from the tax returns without deducting depreciation pursuant to the December 31, 2014 decision.

## ISSUES PRESENTED ON APPEAL

Jon Loren Bills, Appellant, brings only one issue on appeal. The issue is that the depreciation expenses should have been deducted from the total expenses before determining the amount to be recompensed and that the judgment should be lessened

by the amount of \$60,000.00 depreciation which was improperly included in the judgment.

#### ATTORNEY FEES ON APPEAL

Jon Loren Bills, Appellant, requests that each party pay their own attorney fees incurred in this appeal as the appeal arises from a arithmetical mistake by the district judge.

#### ARGUMENT

Now comes Appellant, Jon Loren Bills and appeals to this court for partial relief from the Judgment filed December 31, 2014, because of judicial mistake.

Jon Loren Bills requests that the judgment in case CV-2012-260 of December 31, 2014 be reduced from \$97,998.00 to \$37,998.00 for the reasons explained as follows.

In this court's Decision and Order of December 31, 2014 in Finding of Fact 31(a), this court stated that "Depreciation expenses must be disregarded on each tax return as these expenses are not cash expenses and there was no specific agreement between the parties to include depreciation expenses in the calculation of net profit of the ranch operation." See Attached Exhibit A.

In Finding of Fact 38(b), when the court determined the reimbursement for expenses improperly paid by Linell Bills, the court inadvertently included \$60,000.00 of depreciation expenses in the calculation. (Exhibit A). The court used the Farm Expenses numbers from Jon Loren Bills' Exhibit B from the Findings of Fact without deducting the listed depreciation expense. (See attached Exhibit B). Jon Loren Bills' Exhibit 305 shows Form 4835 from Linell Bills' 2008 tax return. The total farm expenses

listed on line 31 are \$24,637.45 but on line 12 the court will see that included in that amount was \$20,000.00 in depreciation. (See attached Exhibit C). This is reflected in Jon Loren Bills' Exhibit B with the separate line indicating the depreciation.

In Jon Loren Bills' Exhibit 306, again Form 4835 from Linell Bills' 2009 tax return, the same situation exists. The total farm expenses on line 31 are \$21,098.66 and on line 12 is indicated \$20,000.00 of depreciation that was included in the total. This is also indicated on Respondent's Exhibit B. (See attached Exhibit D).

And, again, in Jon Loren Bills' Exhibit 307, Form 4835 from Linell Bills' 2010 tax return, the total expenses listed on line 31 are \$27,040.00. (See attached Exhibit E). Line 12 indicates that \$20,000.00 in depreciation was included in this total. This is again reflected on Jon Loren Bills' Exhibit B.

#### CONCLUSION

In the interest of justice, Jon Loren Bills requests that this court issue an order reducing the monetary amount in Item 2 of the Judgment from \$97,998.00 to \$37,998.00, to reflect that in accordance with the court's Decision and Order of December 31, 2014 stating that 'Depreciation expenses must be disregarded on each tax return' the depreciation amount of \$60,000.00 included in the calculation of this amount be deducted from the judgment. (Judgment attached as Exhibit F).

Respectfully submitted,

Jon Loren Bills, Appellant Pro Se

CERTIFICATE OF SERVICE

I hereby certify that on the 19 day of <sup>April</sup>~~March~~, 2016, I, Jon Loren Bills, caused two true and correct copies of this document to be mailed to the following:

Steven J. Wright  
Andrew Wayment  
P.O. Box 50578  
Idaho Falls, ID 83405

*Jon L. Bills 4/19/16*



EXHIBIT A

RECEIVED

JAN 06 2014

SAWTOOTH LAW OFFICES

LEMMING COUNTY DISTRICT COURT  
FILED 12-31-14  
TIME 1:30 PM  
LEMMING COUNTY CLERK  
BY: [Signature] DEPUTY

IN THE DISTRICT COURT OF THE SEVENTH JUDICIAL DISTRICT OF THE  
STATE OF IDAHO, IN AND FOR THE COUNTY OF LEMMI

LINELL BILLS, )  
Petitioner, )  
-vs.- )  
JON LOREN BILLS )  
Respondent. )

Case No. CV-12-260

DECISION AND ORDER

Plaintiff Linell Bills (Linell) filed this suit requesting the Court to 1) perform an accounting/winding up of the business she shared with her son/Defendant Jon Loren Bills (Loren) and 2) to find that Loren was unjustly enriched. Loren disputed Linell's claims and filed a counterclaim for 1) breach of contract and 2) requested an accounting. Loren's breach of contract claim was tried to a jury on November 12-14, 2014. The jury found that a contract did exist between Loren and Linell, but that Linell did not breach the contract. The remaining issues are equitable issues and are therefore for this Court to decide.

I. Findings of Fact and Conclusions of Law

1. This Court has subject matter jurisdiction over the claims involved in this action.
2. This Court has personal jurisdiction over the parties to this action.
3. Venue for this action is appropriate with this Court.
4. The Petitioner and Counterdefendant to this action is Linell Bills, an individual (herein "Linell").
5. The Respondent and Counterclaimant to this action is Jon Loren Bills, an individual (herein "Loren").
6. Linell and Loren are mother and son.
7. The testimony of the parties was in concert that a joint venture existed between the parties for the operation of a cattle ranch operation, with ancillary farming activities.

8. Jon Bills (Linell's husband and Loren's father) and Linell purchased a ranch in Lemhi County during their marriage and operated it as a family.
9. Since 2003, after Jon passed away, Loren and Linell continued operation of the ranch.
10. Linell was the sole heir of Jon's estate.
11. Loren had been gifted certain items of equipment by Jon prior to Jon's death.
12. After Jon's death, Linell and Loren chose to continue the ranch as a ~~joint-venture~~ with Loren providing the bulk of the labor and use of the equipment he was gifted by Jon; and Linell providing use of the land, accompanying grazing permit and the remaining equipment.
13. At Jon's passing, the ranch had ~~265 cattle~~ of which Linell and Loren agreed Loren would own 100. ~~Linell sold 65 head so that each party had 100 head on the ranch.~~ *show Linell selling 65*
14. The family owned the "LE" brand which Jon obtained from his parents. Loren and Linell were each added to the brand card in 1984.
15. From January 1, 2003 and until December 31, 2006, Loren and Linell agreed that the net profit of the joint venture was to be equally divided among them. The net profit was to be determined on a cash basis, meaning ~~that neither party could allocate as a cost of the joint venture the depreciation expense of items each contributed for use by the joint venture, or the amortization expense of any land each contributed to the joint venture, nor~~ could either party claim wages for labor invested in the enterprise.
16. This continued through 2006 when the parties entered into a lease type of arrangement in which Loren leased Linell's cows, land, equipment, etc. in return for ten percent of the calf crop.

*word does not*

*my*

*my*

17. From January 1, 2007 and until December 31, 2010, Loren and Linell agreed that Linell would receive 10% of the proceeds of the calf crop and Loren 90%. Loren would cover all costs.

18. Beginning in 2011, the parties could not agree on an arrangement to continue the joint venture or the lease mentioned above.

19. Loren refused to continue the work he had done on the ranch and in fact, left the ranch in 2011. *because of blood clot doctors orders*

20. As a result, Linell had to hire others to help run the ranch.

21. Loren has not assisted with the care of the cows etc. in any meaningful way since the spring of 2011 even though he left his cows on the ranch. *Jay Wiley Testimony ignored*

22. The parties agree to dissolution of the joint venture and, at trial, evidence was presented to establish an accounting of the assets of the joint venture.

23. There is no debt in the joint venture.

24. The disagreement of the parties is over the division of the assets upon dissolution.

25. This Court has equitable authority to order dissolution of the joint venture, including winding up of the joint venture and allocation of the assets.

26. This Court also has authority to address Linell's claim for unjust enrichment.

27. The following equipment is awarded to Loren.

1994 Chevy Pickup HydraBed Truck (without Hydra-bed)  
1998 TW 200 Motorcycle  
2002 TW 200 Motorcycle  
2003 Dodge Pickup Truck  
2005 Chevy Dually HydraBed Truck  
Allis Chalmers 6060 Tractor  
D6 Cat Dozer  
Hay Wagon

Heavy Duty 5-horse Air Compressor  
Heritage Metal Building (calving barn)  
Hesston 550 Round Baler  
Hydraulic Post pounder  
International Grain Wagon  
John Deere Grain Drill  
John Deere Plow  
Kiefer Stock Trailer  
Kubata 4x4 Tractor with Loader  
New Holland Pull-type Swather

28. The following equipment is awarded to Linell.

.1988 Chevy Pickup  
Hydra-bed (from the 1994 Chevy Pickup Truck)  
1998 Ford F250 Pickup Truck  
3 Pt. Hitch 3 Wheel Rake  
3 Pt. Hitch Box Scraper  
3 Pt. Hitch Cement Mixer  
3 Pt. Hitch Corrugator  
3 Pt. Hitch Rototiller  
3 Pt. Leon Ditcher  
3 Pt. Rhino Ditcher  
Allis Chalmers 175 Tractor  
Brillion Press Drill  
Fifth Wheel travel trailer  
Ford 4000 Tractor  
Ford Plow  
Fordsons Major Diesel Tractor  
Grinder-mixer Grain Wagon.  
Honda Fat Cat  
Honda Four Wheeler & attachable trailer  
John Deere Disc and Harrows  
Kubota 4x4 Tractor with Cab  
Massey Fergusson Combine  
Massey Harris Grain Drill  
New Holland Manure Spreader  
New Holland Square Baler  
Old Side-delivery Rake  
Round bale feeders (4)  
Tandem Bumper-pull trailer  
Thorsons Calf Chute  
Thorsons Cattle Chute  
Warn winch

29. Any disputed equipment was community property of Linell and her husband Jon. Her husband's interest in such equipment was awarded to her in the probate of her husband's estate. However, the will gave some equipment to Loren, which is evidenced by Linell's agreement that Loren owns some equipment as stated herein *supra*. Linell would in that case own one-half of the equipment Jon gave to Loren in his will since Jon could only devise his community interest.

30. Loren also seeks one of the portable pumps on the property but is not claiming an interest in the mainline and sprinkler pipe, which are used to water crops and pasture.

31. The tax returns of the parties, which have not been audited, but which were submitted to the IRS, are indicative of the ranch cash income and cash expenses of the parties over the respective years, except as noted below.

a. Depreciation expenses must be disregarded on each tax return as these expenses are not cash expenses and there was no specific agreement between the parties to include depreciation expenses in the calculation of net profit of the ranch operation.

b. Linell claimed \$59,500 in feed expenses in year 2003. Based on the mistake she made on reporting feed expenses in 2006, it is more likely that the expense was actually \$5,950.

c. Linell claimed \$52,065.85 in feed expenses in year 2004. Again, it is more likely the expense was \$5,206.

d. Linell claimed \$29,928.60 in feed expenses in year 2006. Linell testified that year 2006 was the first year she purchased hay after her husband died. However, the records produced by Linell reveal she actually spent only \$2,928.60 on feed in year

2006.

e. Linell claimed \$2,400.00 in feed expenses for year 2008. In Linell's testimony she admitted this expense was paid as a gift to her children (Loren and Robert) and that she did not expect repayment for the same or allocation of the same to the joint venture.

32. The result of accounting of the cash income and cash expenses of the joint venture of the parties is the following –

- a. In year 2003 Linell received \$8,970.63 more in net profit of the joint venture than what she was entitled to receive by the agreement of the parties;
- b. In year 2004 Linell received \$10,799.44 more in net profit of the joint venture than what she was entitled to receive by the agreement of the parties;
- c. In year 2005 Loren received \$18,735.85 more in net profit of the joint venture than what he was entitled to receive by the agreement of the parties;
- d. In year 2006 Loren received \$5,100.91 more in net profit of the joint venture than what he was entitled to receive by the agreement of the parties;
- e. In year 2007 Linell received \$1,115 more in net profit of the joint venture than what she was entitled to receive by the agreement of the parties;
- f. In year 2008 Linell received \$23,243.45 less in net profit of the joint venture than what she was entitled to receive by the agreement of the parties;
- g. In year 2009 Linell received \$22,381.68 less in net profit of the joint venture than what she was entitled to receive by the agreement of the parties;
- h. In year 2010 Linell received \$28,776 less in net profit of the joint venture than what

she was entitled to receive by the agreement of the parties.

33. There are currently 116 cows on the property, of which Loren owns 56 and Linell owns 60.
34. In December, 2005, Loren and Linell jointly purchased and acquired ownership of a Mooney M20R Airplane, FAA Registration No. N237BX (herein "the Airplane"). Linell contributed cash of ~~\$317,000~~ toward the purchase of the Airplane. Loren contributed cash of ~~\$100,000~~ toward the purchase of the Airplane. The total paid to purchase the Airplane was ~~\$407,350.00~~. *Arithmetic Error*
35. The Airplane has a present value of \$285,000.00. The only testimony in this regard came from Loren, a licensed pilot, owner of the Airplane, and a person that is familiar with used airplane prices.
36. Linell acquired, after the joint venture dissolved, a livestock brand in her sole name, referred to as the JF brand. Loren makes no claim to the JF brand and it is the sole property of Linell.
37. Loren and Linell own jointly and equally a livestock brand commonly referred to as the LE brand. This brand has been in the family for many generations. Linell testified she was willing to pay Loren the sum of \$10,000.00 for his ownership interest in the brand. Loren testified he was willing to accept the same for his interest. There was no testimony presented as to the fair market value of the LE brand. There is no dispute that Loren and Linell jointly own the LE brand.
38. Money owed for 2003-2014
  - a. 2003-2006

i. The Court finds that for the years 2003 through 2006, the two parties agreed to share profits and expenses 50/50. The Court finds that Loren owes Linell \$4,067 for these years. In reaching this conclusion, the Court relied on Loren's Exhibit A attached to his post-trial brief. The evidence at trial showed that Linell claimed just over \$29,928 of feed on her taxes. The evidence also showed that this amount had a typo and should have read \$2,992. The feed reported in 2003 and 2004 was \$59,500 and \$52,065.85, respectively. The Court finds that these two numbers more likely than not also contain an extra digit. The Court therefore finds that the feed expense in 2003 was \$5,950; in 2004, it was \$5,206. 2005 does not have an entry for any feed. In Exhibit A, Loren only credits Linell with \$601.20 for feed in 2003 and \$252.29 in 2004. However, the Court finds that Loren owes ~~\$4,067~~ *Linell's testimony* in reimbursement for feed expenses in 2003 through 2006.

b. 2007-2010

i. Loren argues that Linell was entitled to 10% of the net calf crop from 2007 through 2010. However, based on the testimony at trial, the Court finds that the agreement between the parties was that Loren would be responsible for the costs and was entitled to all of the profits, except for 10% of the calf crop. The distinguishing point is that Linell was entitled to 10% of the sale amount of the calf crop before any costs, not just 10% of the net.

*Errol* ~~Using Loren's Exhibit B,~~ the Court finds that Loren owes Linell \$73,286.10 for the years 2007-2010. The Court reached this conclusion as follows:



Page 372 Line 4 No operating expenses  
 Depreciation of Airplane  
 included in expenses  
 see 31a

Year	10% of Calf Crop owed to Linell	Reimbursement for Expenses Improperly Paid by Linell	Minus monies already received	Total
2007	\$5,904	\$3,715.99	\$10,735.00	-\$1,115.01
2008	\$8,106	<del>\$24,637.45</del>	\$9,500	\$23,243.45
2009	\$8,279	<del>\$21,098.66</del>	\$6,995.98	\$22,381.68
2010	\$11,107	<del>\$27,040.7</del>	\$9,371	\$28,776
			Total amount Loren owes Linell:	\$73,286.10

c. 2011-2014 Cattle Sales

i. The Court finds that Linell owes Loren \$4,885 for cattle sales in 2011-2014.

d. Linell's Unjust Enrichment Claim

wrong 131,000 approx imho

i. The Court finds that Loren owes \$35,530 to Linell as unjust enrichment for her cost of keeping his cattle on her property. It could be argued that Loren would have no cattle at all but for Linell feeding them and housing them.

Linell could have charged a pasturing fee per cow per day but did not present evidence of such. Therefore, her costs are found by this Court to be the best evidence of the benefit obtained by Loren, particularly since he would have had to feed and house the cattle himself had Linell not done so.

39. LE Brand

a. Linell will pay \$10,000 to Loren for his interest in the brand.

40. Total Money Owed

a. The Court finds that Loren owes Linell \$4,067 for the years 2003-2006. Loren owes

Linell \$73,286.10 for 2007-2010. Linell Owes Loren \$4,885 for 2011-2014. Loren Owes Linell \$35,530 for unjust enrichment. Linell owes Loren \$10,000 for the LE Brand. In total, Loren owes Linell \$97,998.00 for the years 2003-2014.

41. Airplane

- a. The Court finds that the airplane must be sold immediately and the profits divided 76% to Linell and 24% to Loren. Linell paid for 76% of the airplane, and the Court finds that she did not give Loren the other portion of the plane despite sharing the tax deduction with him 50/50. Loren may choose to buy Linell's share of the plane for 76% of \$285,000, which is \$216,600. If Loren chooses to buy Linell's share, he must do so within 120 days of the date of this order, with interest accruing at 5% starting on the 31st day after the entry of this Decision and Order.

42. Dividing of the Cattle

- a. The Court finds that Linell owns four more cattle than Loren. The cattle will be divided as follows. Linell will pick the first four cattle; Loren will then pick one, and the picks will alternate until no cattle remain. Loren and Linell may do this together or have representatives pick the cattle instead. The division must take place within 30 days of this Decision and Order. Loren must remove his cattle within 24 hours of the division.

43. Hangars Located at the Salmon, Idaho Airport

- a. As the parties have agreed, hangar number 7 is awarded to Linell. Hangar number 17 is awarded to Loren.

44. Irrigation Pumps

- a. The Court finds that they are part of the working farm; therefore, Linell is awarded both irrigation pumps.

45. Horses

- a. The Court finds that Ginger and Miss Freeway Cinco belong to Loren as per agreement by the parties.

46. Attorney Fees

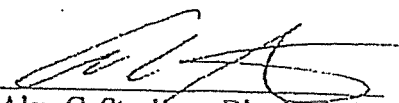
- a. The Court finds that attorney fees are not available under the Complaint for the accounting and winding up. However, fees are awardable to Linell for defending Loren's breach of contract counterclaim. Fees and costs will be awarded upon the proper filing of cost bill by Linell.

47. Payment of the amounts owed to Linell by Loren will be accomplished as follows:

- a. Loren is to sell enough of his cattle within 30 days of the division of the cattle to pay Linell. Linell's name shall be included on all checks or other methods of payment for said cattle until she is paid in full.
- b. If the cattle sold are not sufficient to pay Linell in full, then the sale price for Linell's share of the plane will increase to cover any deficit if the plane is purchased by Loren. If the plane is not purchased by Loren, the proceeds shall first go to Linell to cover any deficit still owed to her, taken from Loren's share of the proceeds.

IT IS SO ORDERED.

Dated this 30<sup>th</sup> day of December, 2014.

  
Alan C. Stephens, District Judge

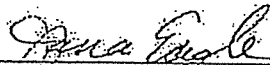
CERTIFICATE OF SERVICE

I hereby certify ~~that~~ on the 31<sup>st</sup> day of December, 2014, I, Jana Stokes Eagle, caused a true and correct copy of ~~the~~ foregoing document to be delivered to the following:

Steven J. Wright  
Andrew Wayment  
P O Box 50578  
Idaho Falls ID 83405

David P. Claiborne  
P O Box 7985  
Boise ID 83707

TERRI J. MORTON

  
\_\_\_\_\_  
Deputy Court Clerk

**EXHIBIT**

**B**

Bills v. Bills  
Tax Returns during 90/10 Venture

<u>Tax Year 2007</u>	<u>Loren</u>	<u>Ref.</u>	<u>Linell</u>	<u>Ref.</u>	<u>Total</u>	<u>Linell owes Loren</u>
Farm Income	\$48,305.89	Ex. 287	\$10,735.00	Ex. 304	\$59,040.89	
Farm Expenses	\$45,987.05	Ex. 287	\$3,715.99	Ex. 304	\$49,703.04	
Profit (Loss)	\$2,318.84	Ex. 287	\$7,019.01	Ex. 304	\$9,337.85	
Depreciation	\$29,951.91	Ex. 287	\$0.00	Ex. 304	\$29,951.91	
Profit (Loss) w/o Depreciation	\$32,270.75		\$7,019.01		\$39,289.76	
10% share					\$3,928.98	
Diff. Linell Owes						\$3,090.03
<u>Tax Year 2008</u>	<u>Loren</u>	<u>Ref.</u>	<u>Linell</u>	<u>Ref.</u>	<u>Total</u>	<u>Linell owes Loren</u>
Farm Income	\$71,557.42	Ex. 288	\$9,500.00	Ex. 305	\$81,057.42	
Farm Expenses	\$68,410.47	Ex. 288	\$24,637.45	Ex. 305	\$93,047.92	
Profit (Loss)	\$3,146.95	Ex. 288	(\$15,137.45)	Ex. 305	(\$11,990.50)	
Depreciation	\$30,203.69	Ex. 288	\$20,000.00	Ex. 305	\$50,203.69	
Profit (Loss) w/o Depreciation	\$33,350.64		\$4,862.55		\$38,213.19	
Feed	\$5,433.26	Ex. 288	\$2,400.00	Ex. 305	\$7,833.26	
Profit (Loss) w/ Feed Adjusted	\$33,350.64	Ex. 288	\$7,262.55	Ex. 305	\$40,613.19	
10% share					\$4,061.32	
Diff. Linell Owes						\$3,201.23
<u>Tax Year 2009</u>	<u>Loren</u>	<u>Ref.</u>	<u>Linell</u>	<u>Ref.</u>	<u>Total</u>	<u>Linell owes Loren</u>
Farm Income	\$75,796.09	Ex. 289	\$6,995.98	Ex. 306	\$82,792.07	
Farm Expenses	\$62,965.65	Ex. 289	\$21,098.66	Ex. 306	\$84,064.31	
Profit (Loss)	\$12,830.44	Ex. 289	(\$14,102.68)	Ex. 306	(\$1,272.24)	
Depreciation	\$31,529.25	Ex. 289	\$20,000.00	Ex. 306	\$51,529.25	
Profit (Loss) w/o Depreciation	\$44,359.69		\$5,897.32		\$50,257.01	
10% share					\$5,025.70	
Diff. Linell Owes						\$871.62
<u>Tax Year 2010</u>	<u>Loren</u>	<u>Ref.</u>	<u>Linell</u>	<u>Ref.</u>	<u>Total</u>	<u>Linell owes Loren</u>
Farm Income	\$101,699.88	Ex. 290	\$9,371.00	Ex. 307	\$111,070.88	
Farm Expenses	\$58,149.93	Ex. 290	\$27,040.00	Ex. 307	\$85,189.93	
Profit (Loss)	\$43,549.95	Ex. 290	(\$17,669.00)	Ex. 307	\$25,880.95	
Depreciation	\$27,237.47	Ex. 290	\$20,000.00	Ex. 307	\$47,237.47	
Profit (Loss) w/o Depreciation	\$70,787.42		\$2,331.00		\$73,118.42	
10% share					\$7,311.84	
Diff. Linell Owes						(\$4,980.84)

Form **4835**

**Farm Rental Income and Expenses**

(Crop and Livestock Shares (Not Cash) Received by Landowner (or Sub-Lessor))

OMB No. 1545-0074

**2008**

Department of the Treasury  
Internal Revenue Service (99)

(Income not subject to self-employment tax)

Attachment

▶ Attach to Form 1040 or Form 1040NR. ▶ See instructions on

Name(s) shown on tax return

Nancy L. Bills

A Did you actively participate in the operation of this farm during 2008 (see instructions)?  Yes  No

**Part I Gross Farm Rental Income—Based on Production.** Include amounts converted to cash or the equivalent.

1	Income from production of livestock, produce, grains, and other crops	1	6,075.00
2a	Cooperative distributions (Form(s) 1099-PATR)	2a	
2b	Taxable amount	2b	
3a	Agricultural program payments (see instructions)	3a	3,425.00
3b	Taxable amount	3b	3,425.00
4	Commodity Credit Corporation (CCC) loans (see instructions):		
a	CCC loans reported under election	4a	
b	CCC loans forfeited	4b	
4c	Taxable amount	4c	
5	Crop insurance proceeds and federal crop disaster payments (see instructions):		
a	Amount received in 2008	5a	
5b	Taxable amount	5b	
c	If election to defer to 2009 is attached, check here <input type="checkbox"/>	5d	Amount deferred from 2007
5d		5d	
6	Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)	6	
7	Gross farm rental income. Add amounts in the right column for lines 1 through 6. Enter the total here and on Schedule E (Form 1040), line 42.	7	9,500.00

**Part II Expenses—Farm Rental Property.** Do not include personal or living expenses.

8	Car and truck expenses (see Schedule F Instructions). Also attach Form 4562	8		21	Pension and profit-sharing plans	21	
9	Chemicals	9		22	Rent or lease:		
10	Conservation expenses (see instructions)	10		a	Vehicles, machinery, and equipment (see instructions)	22a	
11	Custom hire (machine work)	11		b	Other (land, animals, etc.)	22b	
12	Depreciation and section 179 expense deduction not claimed elsewhere	12	20,000.00	23	Repairs and maintenance	23	
13	Employee benefit programs other than on line 21 (see Schedule F Instructions)	13		24	Seeds and plants	24	
14	Feed	14	2,400.00	25	Storage and warehousing	25	
15	Fertilizers and lime	15		26	Supplies	26	
16	Freight and trucking	16	200.88	27	Taxes	27	821.38
17	Gasoline, fuel, and oil	17		28	Utilities	28	91.00
18	Insurance (other than health)	18		29	Veterinary, breeding, and medicine	29	
19	Interest:			30	Other expenses (specify):		
a	Mortgage (paid to banks, etc.)	19a		a	Hanger Rent	30a	125.00
b	Other	19b		b	Water Tax	30b	53.69
20	Labor hired (less employment credits) (see Schedule F instructions)	20		c	Water Filling	30c	100.00
				d	Pub	30d	23.50
				e	B.M. Grazing	30e	756.00
				f	Range Land Reserve	30f	50.00
				g		30g	

31	Total expenses. Add lines 8 through 30g (see instructions)	31	24,637.45
32	Net farm rental income or (loss). Subtract line 31 from line 7. If the result is income, enter it here and on Schedule E, line 40. If the result is a loss, you must go to line 33	32	(15,137.45)
33	If line 32 is a loss, check the box that describes your investment in this activity (see instructions)	33a	<input checked="" type="checkbox"/> All investment is at risk.
		33b	<input type="checkbox"/> Some investment is not at risk.
c	You may have to complete Form 8582 to determine your deductible loss, regardless of which box you checked (see instructions). If you checked box 33b, you must complete Form 6198 before going to Form 8582. In either case, enter the deductible loss here and on Schedule E, line 40	33c	(15,137.45)

For Paperwork Reduction Act Notice, see Instructions on back.

Form 4835 (2008)



BILLS000039

**Farm Rental Income and Expenses**  
(Crop and Livestock Shares (Not Cash) Received by Landowner (or Sub-Lessor))  
(Income not subject to self-employment tax)

Name(s) shown on tax return

▶ Attach to Form 1040 or Form 1040NR.

▶ See Instructions on back.

*Nancy L Bills*

**A** Did you actively participate in the operation of this farm during 2009 (see instructions)?

YES  NO

**Part I** Gross Farm Rental Income—Based on Production. Include amounts converted to cash or the equivalent.

1	Income from production of livestock, produce, grains, and other crops.	1	6,995.98
2a	Cooperative distributions (Form(s) 1099-PATR)	2a	
2b	Taxable amount	2b	
3a	Agricultural program payments (see instructions)	3a	
3b	Taxable amount	3b	
4	Commodity Credit Corporation (CCC) loans (see instructions):		
a	CCC loans reported under election		
b	CCC loans forfeited	4b	
4c	Taxable amount	4c	
5	Crop insurance proceeds and federal crop disaster payments (see instructions):		
a	Amount received in 2009	5a	
5b	Taxable amount	5b	
c	If election to defer to 2010 is attached, check here <input type="checkbox"/>	5d	Amount deferred from 2008
5d		5d	
6	Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)	6	
7	Gross farm rental income. Add amounts in the right column for lines 1 through 6. Enter the total here and on Schedule E (Form 1040), line 42.	7	6,995.98

**Part II** Expenses—Farm Rental Property. Do not include personal or living expenses.

8	Car and truck expenses (see Schedule F instructions). Also attach Form 4562	8		21	Pension and profit-sharing plans	21	
9	Chemicals	9		22	Rent or lease:		
10	Conservation expenses (see instructions)	10		a	Vehicles, machinery, and equipment (see instructions)	22a	
11	Custom hire (machine work)	11		b	Other (land, animals, etc.)	22b	
12	Depreciation and section 179 expense deduction not claimed elsewhere	12	20,000.00	23	Repairs and maintenance	23	
13	Employee benefit programs other than on line 21 (see Schedule F instructions)	13		24	Seeds and plants	24	
14	Feed	14		25	Storage and warehousing	25	
15	Fertilizers and lime	15		26	Supplies	26	
16	Freight and trucking	16		27	Taxes	27	1,000.00
17	Gasoline, fuel, and oil	17		28	Utilities	28	98.66
18	Insurance (other than health)	18		29	Veterinary, breeding, and medicine	29	
19	Interest:			30	Other expenses (specify):		
a	Mortgage (paid to banks, etc.)	19a		a		30a	
b	Other	19b		b		30b	
20	Labor hired (less employment credits) (see Schedule F instructions)	20		c		30c	
				d		30d	
				e		30e	
				f		30f	
				g		30g	

31	Total expenses. Add lines 8 through 30g (see instructions)	31	21,098.66
32	Net farm rental income or (loss). Subtract line 31 from line 7. If the result is income, enter it here and on Schedule E, line 40. If the result is a loss, you must go to line 33	32	(14,102.68)
33	If line 32 is a loss, check the box that describes your investment in this activity (see instructions)	33a	<input checked="" type="checkbox"/> All investment is at risk.
		33b	<input type="checkbox"/> Some investment is not at risk.
c	You may have to complete Form 8582 to determine your deductible loss, regardless of which box you checked (see instructions). If you checked box 33b, you must complete Form 6198 before going to Form 8582. In either case, enter the deductible loss here and on Schedule E, line 40	33c	

For Paperwork Reduction Act Notice, see Instructions on back.

Cat. No. 13117W

Form 4835 (2009)



SJW WORK COPY



Form 4835

Farm Rental Income and Expenses
(Crop and Livestock Shares (Not Cash) Received by Landowner (or Sub-Lessor)
(Income not subject to self-employment tax)

OMB No. 1545-0074

2010

Attachment Sequence No. 37

Department of the Treasury Internal Revenue Service (99)

Attach to Form 1040 or Form 1040NR. See Instructions.

Name(s) shown on tax return NANCY L BILLS

Your social security number

Employer ID number (EIN), if any

A Did you actively participate in the operation of this farm during 2010 (see Instructions)? Yes No

Part I Gross Farm Rental Income — Based on Production. Include amounts converted to cash or the equivalent.

Table with 7 main rows and sub-rows (a, b, c) for income from production of livestock, cooperative distributions, CCC loans, crop insurance proceeds, and other income. Total gross farm rental income is 9,371.

Part II Expenses — Farm Rental Property. Do not include personal or living expenses.

Table with 31 main rows and sub-rows (a, b, c) for expenses including car and truck, chemicals, depreciation, interest, and total expenses. Net farm rental income is -17,669.

For Paperwork Reduction Act Notice, see your tax return instructions.

JVA 10 48351 TWF 38788 Copyright Forms (Software Only) - 2010 TW

Form 4835 (2010)



RECEIVED  
JAN 06 2014  
SAWTOOTH LAW OFFICES

LEMHI COUNTY DISTRICT COURT  
FILED 12-31-14  
TIME 1:30 PM  
LEMHI COUNTY CLERK  
BY: [Signature] DEPUTY

IN THE DISTRICT COURT OF THE SEVENTH JUDICIAL DISTRICT OF THE  
STATE OF IDAHO, IN AND FOR THE COUNTY OF LEMHI

LINELL BILLS,

Petitioner,

-vs.-

JON LOREN BILLS

Respondent.

Case No. CV-12-260

JUDGMENT

JUDGMENT IS ENTERED AS FOLLOWS:

- 1) Defendant's counterclaim for breach of contract is dismissed with prejudice.
- 2) Plaintiff is awarded judgment against defendant of \$97,998.00.
- 3) Plaintiff is awarded Hangar #7 located at the Salmon, Idaho, Airport.
- 4) Defendant is awarded Hangar #17 located at the Salmon, Idaho, Airport.
- 5) The Farm and Ranch located near Salmon, Idaho, purchased by Jon and Linell Bills is awarded to Plaintiff.
- 6) The joint venture between Plaintiff and Defendant is fully wound up and dissolved.
- 7) Plaintiff is awarded all irrigation equipment, including all irrigation pumps located on the Farm/Ranch.
- 8) Defendant is awarded the two horses known as Ginger and Miss Freeway Cinco.
- 9) The airplane owned by the parties is owned 76% by Plaintiff and 24% by Defendant and is ordered to be sold immediately and the sale price divided 76% to Plaintiff and 24% to Defendant, subject to Defendant's right to purchase the Plaintiff's interest in the plane for

\$216,000 within 120 days of December 30, 2014. Interest will accrue on the \$216,000 at 5% per annum beginning on January 31, 2015.

10) All of the cattle owned jointly by Plaintiff and Defendant shall be divided by Plaintiff or her representative selecting the first four (Plaintiff owns four more cows than Defendant) and then Defendant or his representative selecting the next cow; the parties will then alternate the selection of the cattle until all are divided.

11) Defendant shall remove the cattle he selects from the Farm/Ranch owned by Plaintiff within 24 hours of the division; said division will occur within 30 days of December 30, 2014.

12) Plaintiff is awarded the LE brand.

13) Defendant is ordered to sell and apply the proceeds of said sale, within 30 days of the said division, enough of his cattle to pay the Plaintiff \$97,998.00 plus post judgment interest.

14) Defendant is ordered to pay over his share of the proceeds from the airplane sale to Plaintiff to make up any deficiency in the payment of the said \$97,998.00 plus post judgment interest existing after the sale of Defendant's cattle.

15) Plaintiff is awarded the following equipment:

- 1988 Chevy Pickup
- Hydra-bed (from the 1994 Chevy Pickup Truck)
- 1998 Ford F250 Pickup Truck
- 3 Pt. Hitch 3 Wheel Rake
- 3 Pt. Hitch Box Scraper
- 3 Pt. Hitch Cement Mixer
- 3 Pt. Hitch Corrugator
- 3 Pt. Hitch Rototiller
- 3 Pt. Leon Ditcher
- 3 Pt. Rhino Ditcher

Allis Chalmers 175 Tractor  
Brillion Press Drill  
Fifth Wheel travel trailer  
Ford 4000 Tractor  
Ford Plow  
Fordsons Major Diesel Tractor  
Grinder-mixer Grain Wagon  
Honda Fat Cat  
Honda Four Wheeler & attachable trailer  
John Deere Disc and Harrows  
Kubota 4x4 Tractor with Cab  
Massey Fergusson Combine  
Massey Harris Grain Drill  
New Holland Manure Spreader  
New Holland Square Baler  
Old Side-delivery Rake  
Round bale feeders (4)  
Tandem Bumper- pull trailer  
Thorsons Calf Chute  
Thorsons Cattle Chute  
Warn winch

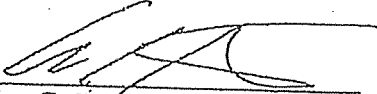
16) Defendant is awarded the following equipment:

1994 Chevy Pickup HydraBed Truck (without Hydra-bed)  
1998 TW 200 Motorcycle  
2002 TW 200 Motorcycle  
2003 Dodge Pickup Truck  
2005 Chevy Dually HydraBed Truck  
Allis Chalmers 6060 Tractor  
D6 Cat Dozer  
Hay Wagon  
Heavy Duty 5-horse Air Compressor  
Heritage Metal Building (calving barn)  
Hesston 550 Round Baler  
Hydraulic Post pounder  
International Grain Wagon  
John Deere Grain Drill  
John Deere Plow  
Kiefer Stock Trailer  
Kubota 4x4 Tractor with Loader  
New Holland Pull-type Swather

17) Plaintiff is awarded costs and attorney fees on the counterclaim tried to the jury upon an appropriate filing of an affidavit of costs and fees pursuant to IRCP 54.

18) Plaintiff is the prevailing party on her Complaint for purposes of costs.

Dated this 31<sup>st</sup> day of December, 2014.

  
Alan C. Stephens, District Judge

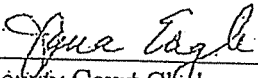
CERTIFICATE OF SERVICE

I hereby certify that on the 31<sup>st</sup> day of December, 2014, I, Jana Stokes Eagle, caused a true and correct copy of the foregoing document to be delivered to the following:

Steven J. Wright  
Andrew Wayment  
P O Box 50578  
Idaho Falls ID 83405

David P. Claiborne  
P O Box 7985  
Boise ID 83707

TERRI J. MORTON

  
\_\_\_\_\_  
Deputy Court Clerk