2022 ARMS Phase 3 - Presentations

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Agricultural Resource Management Survey
Phase 3

Click Here to return to topics

Eric Gerlach
South Dakota State Statistician
HUNTING
..you're doing it wrong!
Visibility-wise, dawn is a good option for allowing you to clearly see your target.
Have You Heard the One About Brown Cows and Chocolate Milk?

A survey from the Innovation Center for U.S. Dairy found that 7% of American adults think chocolate milk comes from brown cows.
A recent statewide survey of Minnesota residents by MCGA found that 73 percent of respondents have a positive view of Minnesota farmers. However, only 38 percent of Minnesota residents actually know a farmer, yet 95 percent of respondents desire more information on modern farming practices.
“We have hundreds of new congressmen coming to town, and as soon as they get in town, we're gonna start talking to them about the Farm Bill. They ain’t going to have a clue. And then we got 88 (Congress officials) who weren’t there the last time we passed a Farm Bill. Now you're talking about 238 congress people who don’t even know what Farm Bill, farm problems are.”
There is also little data on where pesticides are used and by whom. As a result, there were widely varying reports during the Alar crisis about how much of the apple crop had been treated with the chemical. (Washington Post Feb 27, 1990)
**Net farm income and net cash income, 2000-2013F**

<table>
<thead>
<tr>
<th>Year</th>
<th>Net farm income</th>
<th>Net cash income</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td></td>
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<td>2013</td>
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</tbody>
</table>

**Farm sector business debt, inflation adjusted, 1970-2013F**

<table>
<thead>
<tr>
<th>Year</th>
<th>Real estate debt</th>
<th>Nonreal estate debt</th>
</tr>
</thead>
<tbody>
<tr>
<td>1970</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1971</td>
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<td>2013</td>
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</tbody>
</table>

**Source:** USDA, Economic Research Service, Farm Income and Wealth Statistics, Data as of November 26, 2013.
The food and agriculture industry supports more than 21 million U.S. jobs (that’s 11 percent of U.S. jobs) and contributed $1.05 trillion to U.S. gross domestic product in 2016.
“Banks can use the census data to develop their business strategy or as a risk management tool to assess and analyze policy or regulatory changes.”
U.S. Cow-Calf Returns Per Bred Cow

- Returns based only on operating costs
- Returns based on total costs

Demand growth

Demand loss

Dollar Returns Per Bred Cow

Source: U.S. cow-calf production costs and returns per bred cow, USDA-ERS

Operating costs do not include: Hired labor, Opportunity cost of unpaid labor, Capitol recovery, costs of equipment, Opportunity costs of land, Taxes and insurance or General farm overhead.
Access to broadband is essential for farmers and ranchers to follow commodity markets, communicate with their customers, gain access to new markets around the world.

However, 29 percent of U.S. farms have no access to the Internet according to the USDA report, “Farm Computer Usage and Ownership, 2017.”
In 1990, NASS began to survey farmers to determine types and quantities of pesticides and fertilizers.

Lacking information on farmers’ actual application of Alar or the level of exposure risk, consumers panicked by avoiding apples and apple products, severely harming the U.S. apple industry. (GAO 11-37, November 2010)
Scientifically-credible research shows that cattle contribute only 3.6% of the methane produced in the U.S. #BeefFacts #beefproduction
We all depend on the success of American agriculture want to protect our nation ability to produce a safe, sustainable food supply.
Face Page and Screening Supplement

Let’s go!!!!!!
Face Page and Screening Supplement

Lisa Prickett
Southern Plains Region
Questionnaire Versions

CRR Version

Wheat Version
Screening Process

• ARMS 3 Operators
  • Screened and determined to be in business in 2022
  • Operators were contacted between May and July 2022 by mail and/or phone to complete the ISS / ARMS 1 survey.
  • Previously Reported Data (PRD) was used to reduce respondent burden.
Survey Code

- Survey code for operator to complete survey over the internet.
- Website: agcounts.usda.gov
OpDom Status Intro

- **00**
  - Target is the person listed on front of questionnaire

- **85/45**
  - Operator has 2 or more separate operations
    - Example: One is the crops operation and the other is the livestock

- **99**
  - Special Operation

---

**SURVEY CODE-2704-61DF-SRNL**

- ID 27301200100 01 01 1 182 0 00
- 80 025 00 00 123-111-9701 0 124 068 023
  - 260 0281

- SEQ001-04501
- MASH FARMS
- Hawkeye Pierce
- 650 COUNTY ROAD A
- WHEREVER, XX 99999
OpDom Status: 00

• Person Name is the Target.

SURVEY CODE-2704-61DF-SRNL
ID 27301200100 01 01 1 182 0 00
80 025 00 00 123-111-9701 0 124 068 023
260 0281

SEQ001-04501

MASH FARMS
Hawkeye Pierce
650 COUNTY ROAD A
WHEREVER, XX 99999

• Op Dom Status=00 indicates Hawkeye Pierce is the target.
OpDom Status: 85/45

- Multiple operations
  - Person Name is still the Target

<table>
<thead>
<tr>
<th>SURVEY CODE-2704-61DF-SRNL</th>
</tr>
</thead>
<tbody>
<tr>
<td>ID 27301200100 01 01 1 182 0 00</td>
</tr>
<tr>
<td>80 025 45 00 123-111-9701 0 124 068 023</td>
</tr>
<tr>
<td>260 0281</td>
</tr>
</tbody>
</table>

SEQ001-04501

MASH FARMS
Hawkeye Pierce
650 COUNTY ROAD A
WHEREVER, XX 99999

- Only collect data for the operation listed
OpDom Status: 99

• Operation is Managed.

• Op Dom Status=99 indicates MASH Farms is the target.
Partners

• All known partners pre-printed.

• Verify Partner Information
  • Your Regional Office will direct you how they’d like you to make updates, on paper form or in CAPI.

<table>
<thead>
<tr>
<th>Partner 1</th>
<th>Partner 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Partner Name</td>
<td>Partner Name</td>
</tr>
<tr>
<td>Radar O’Reilly</td>
<td></td>
</tr>
<tr>
<td>Address</td>
<td>Address</td>
</tr>
<tr>
<td>1484 STATE HWY 99</td>
<td></td>
</tr>
<tr>
<td>City</td>
<td>State</td>
</tr>
<tr>
<td>WHEREEVER</td>
<td>XX</td>
</tr>
</tbody>
</table>

United States Department of Agriculture
National Agricultural Statistics Service
Adding/Deleting Partners

Adding Partner(s)
• Write in contact info for new Partner(s)
• Complete ARMS 3 survey

Deleting Partner(s)
• Cross Off Partner(s) info on Face page
• Complete ARMS 3 survey

Radar O’Reilly
1484 STATE HWY 99
WHEREVER            XX      99999   123-111-6540
Target Partner Switch

• Write SWITCH on Face page with notes

• Complete ARMS 3 survey

Hawkeye has stepped down but is still involved. Radar should be the main contact/target.
Partner Take-Over

• Complete Screening Supplement

• DO NOT COMPLETE ARMS 3 survey

Hawkeye has stepped down completely and is no longer involved.
Out of Business....Are you sure???

Screening Supplement

- Questions 1-4, at least one of the questions was answered YES
  - Complete ARMS 3 survey

- Questions 1-4, all are answered NO
  - Complete Screening Form
Part of Year Operations

- **Examples**
  - Floriculture Operation – In business until April 2022
  - Commercial Dairy – Went of business the first half of 2022
The image shows a corkboard with sticky notes in various languages expressing the word "Thank you." The languages include:

- obrigado (Portuguese)
- Dank U (Dutch)
- Merci (French)
- mahalo (Hawaiian)
- Köszí (Hungarian)
- grazie (Italian)
- Thank you (English)
- mauruuru (Polynesian)
- Takk (Icelandic)
- Gracias (Spanish)
- Dziękuje (Polish)
- Děkuju (Czech)
- danke (German)
- Kiïlo (Slovenian)
Sections 1-3

Debbie Martin
Upper Midwest Region
### Section 1: Acreage in 2022

Report land owned, rented, or used by you, your spouse, or by the partnership, corporation, or organization named on the front of this form. Include ALL LAND, REGARDLESS OF LOCATION OR USE - cropland, Conservation Reserve Program (CRP) and Wetlands Reserve Program (WRP) land, pastureland, rangeland, woodland, idle land, farmsteads, etc.

#### 1. Number of acres OWNED

**Box A**

#### 2. Total number of acres RENTED or LEASED FROM OTHERS

**Box B**

**INCLUDE**
- all land rented from others, including individuals
- Federal, State, and railroad land leased on a per acre basis

**EXCLUDE**
- land used on a fee per-head or animal unit month (AUM) basis

For the acres RENTED or LEASED FROM OTHERS, how many were rented:

- a. for a fixed or flexible cash rent payment?
- b. for a share of the crop or livestock production? (Include hybrid rental arrangements where rent paid is based on a fixed cash payment plus some shared production)
- c. for free?

**Box C**

#### 3. Number of acres RENTED or LEASED TO OTHERS

**Box D**

**INCLUDE LAND**
- worked on shares by others
- subleased
- rented or leased to others for cash
- used rent free in exchange for services, payment of taxes, etc.

**EXCLUDE acres enrolled in**
- Conservation Reserve Program (CRP)
- Wetlands Reserve Program (WRP)
- Farm Bill Wetlands Program (FBWP)
- Conservation Reserve Enhancement Program (CREP)
- acres rented or leased to others part of the year

a. How many acres rented or leased to others (Box C above) did this operation own?

**Total Acres Operated**

Acres Owned

+ Acres Rented FROM Others

- Acres Rented TO Others

---

Mark "X" if None

**Number of Acres**
Be sure to read all ‘include’ and ‘exclude’ statements throughout the questionnaire.
**SECTION 1 ACREAGE IN 2022**

Report land owned, rented, or used by you, your spouse, or by the partnership, corporation, or organization named on the front of this form. Include ALL LAND, REGARDLESS OF LOCATION OR USE - cropland, Conservation Reserve Program (CRP) and Wetlands Reserve Program (WRP) land, pastureland, rangeland, woodland, idle land, farmsteads, etc.

1. Number of acres OWNED ................................................. 0020

2. Total number of acres RENTED or LEASED FROM OTHERS
   INCLUDE  
   - all land rented from others, including individuals
   - Federal, State, and railroad land leased on a per acre basis
   EXCLUDE  
   - land used on a fee per-head or animal unit month (AUM) basis .......................... 0101
   
   For the acres RENTED or LEASED FROM OTHERS, how many were rented:
   a. for a fixed or flexible cash rent payment? ................................................. 0021
   b. for a share of the crop or livestock production? (Include hybrid rental arrangements where rent paid is based on a fixed cash payment plus some shared production) .... 0023
   c. for free?  ........................................................................................................ 0024

3. Number of acres RENTED or LEASED TO OTHERS
   INCLUDE LAND  
   - worked on shares by others
   - subleased
   - rented or leased to others for cash
   - used rent free in exchange for services, payment of taxes, etc.
   EXCLUDE acres enrolled in  
   - Conservation Reserve Program (CRP)
   - Wetlands Reserve Program (WRP)
   - Farmable Wetlands Program (FWP)
   - Conservation Reserve Enhancement Program (CREP)
   - acres rented or leased to others part of the year ................................. 0025
   
   a. How many acres rented or leased to others (Box C above) did this operation own? ................................................. 0026

4. Enter the figures from the boxes above to determine your total acres operated:

BOX A + BOX B − BOX C = BOX D

Cash Rent Acres + Share Rent Acres + Free Acres = Total Rented Acres (Box B)
Animal Unit Month (AUM)

- Grazing land rented on fee/head basis
- AUM Acres are NOT included in Acres Operated
County Level Acres

- VALUE ≠ Most Acres
- If 5 or more counties, only report the top 4 producing counties
Section 2:
Land Use in 2022

- Cropland
- Pasture
- Woodland Not Pastured
- All Other Land
## Cropland Acres

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Harvested:</strong></td>
<td>Acres were harvested in 2022. Include: field crops, hay and forage, Christmas trees, short rotation woody crops, fruits and nuts, vegetables or any acreage which a crop was harvested.</td>
</tr>
<tr>
<td><strong>Failed/Abandoned:</strong></td>
<td>Crops planted but failed in 2022. Include: acres not harvested due to low prices or labor shortages. Exclude: Fruit or nuts not harvested due for production maintenance.</td>
</tr>
<tr>
<td><strong>Summer Fallow:</strong></td>
<td>Acres could have been sprayed or tilled but no harvest in 2022. Include: acres planted to a crop in 2022 for harvest in 2023.</td>
</tr>
<tr>
<td><strong>Idle:</strong></td>
<td>Acres which could have been used for crops without any additional improvement. Include: CRP, WRP, FWP, CREP, and other state or federal conservation programs. Exclude: Acres planted with intentions to be used for harvest or pastureland.</td>
</tr>
</tbody>
</table>
Pastureland

• Permanent Pasture
• Woodland Pasture
• Other
  • Rotational Pasture
  • Acres could be used for crops with no additional improvements

Woodland Not Pastured

• Include:
  • Cut over and deforested land that has a future as wood products
  • Tapped maple trees (sugar bush)
  • Abandoned fruit orchards not being maintained

• Exclude:
  • Christmas Trees
  • Fruit Trees
  • Short Rotation Woody Crops

United States Department of Agriculture
National Agricultural Statistics Service
All Other Land
Section 3: Land Rented or Leased From Others For Cash
# Cash Rent

- **Number of Acres:**
  - Include cropland and pastureland
  - Exclude buildings and livestock facilities

- **Cash Rent Paid:**
  - Include all Cash Rent Paid regardless of the land use.
  - Include cash rent paid in 2022 regardless of the year acres are rented.

---

<table>
<thead>
<tr>
<th>Number of Acres</th>
<th>Number of Acres</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. How many acres of <strong>non-irrigated cropland</strong> were rented or leased for cash? Include fruit, nut, berry, vineyard, nursery, and hay land.</td>
<td>4027</td>
</tr>
<tr>
<td>3. How many acres of <strong>irrigated cropland</strong> were rented or leased for cash? Include fruit, nut, berry, vineyard, nursery, and hay land.</td>
<td>4028</td>
</tr>
<tr>
<td>4. How many acres of <strong>permanent pasture, grazing, or grassland</strong> were rented or leased for cash? Exclude Federal, State, and other types of land rented or leased on an animal unit month (AUM) basis.</td>
<td>4029</td>
</tr>
<tr>
<td>5. Including rent for land and/or buildings, what was the total <strong>CASH RENT PAID</strong> in 2022 by this operation? (Include rent paid in 2022 for previous years and rent paid in advance. Exclude storage bins, to be reported in SECTION 32, Item 21. Exclude grazing of livestock, to be reported in Item 6 below.)</td>
<td>0044</td>
</tr>
</tbody>
</table>

- **Dollars**
  - $0.00
Animal Unit Month (AUM) Payments

6. Report any land this operation used (on a per head or AUM basis) that is administered either by: public or private agencies, industrial corporations, grazing associations, or rented from individuals on a short term grazing arrangement in 2022.

a. In 2022, what were the total fees this operation paid for the use of *publicly owned land* on an AUM basis? *(Include fees paid for privately owned land administered by a public agency through exchange-of-use.)*

   [Box for $ amount, currently filled with $0.00]

b. In 2022, how much did this operation spend on pasturing or grazing of livestock on *privately owned land* (railroads, another farm/ranch, etc.) used on a fee per head (AUM) or gain basis?

   [Box for $ amount, currently filled with $0.00]
Thank you for your time!
SECTION 4: FERTILIZERS, CHEMICALS, AND SOIL CONDITIONERS APPLIED

SECTION 5: LAND USE PRACTICES

SECTION 6: IRRIGATION

SECTION 7: PRACTICES

SECTION 8: ORGANIC AGRICULTURE
Fertilizer, Chemicals and soil conditioners include:

- Fertilizers
- Manure
- Herbicides
- Insecticides
- Fungicides
- Nematicides
- other pesticides
- growth regulators
- other chemicals used on this operation during 2022
  - rock phosphate
  - Lime
  - gypsum
2. Acres to which commercial fertilizer and soil conditioners were applied –
   a. Cropland in 2022 – Exclude cropland used only for pasture ............... 4555
   b. Pastureland and rangeland acres in 2022 – Include
cropland used only for pasture or grazing ............................... 4556
3. Acres of cropland and pastureland on which animal manure was applied  ....  4557
4. Acres of cropland and/or pastureland treated with organic fertilizer according to USDA’s National Organic Program (NOP) standards ............... 1570
• Record acres treated for each category once, even if multiple applications were applied
• If a farm of 100 acres were treated in 2022 for:
  • Insects twice, 100 acres
  • Nematodes once, 100 acres
  • Herbicide twice, 50 acres

5. Acres on which chemicals were applied to control the items listed below. The same acres can be reported in more than one item below. However, report acres only once for each item, regardless of the number of applications.

<table>
<thead>
<tr>
<th>Item</th>
<th>Number of Acres</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Insects</td>
<td>100</td>
</tr>
<tr>
<td>b. Weeds, grass, or brush - Include both pre-emergence and post emergence</td>
<td>50</td>
</tr>
<tr>
<td>c. Nematodes</td>
<td>100</td>
</tr>
<tr>
<td>d. Diseases in crops and orchards such as blight, smut, rust, etc.</td>
<td></td>
</tr>
<tr>
<td>Item</td>
<td>United States</td>
</tr>
<tr>
<td>------</td>
<td>---------------</td>
</tr>
<tr>
<td>Commercial fertilizer, lime, and soil conditioners</td>
<td>881,431</td>
</tr>
<tr>
<td>farms, 2017</td>
<td>877,907</td>
</tr>
<tr>
<td>acres treated, 2017</td>
<td>253,766,165</td>
</tr>
<tr>
<td>2012</td>
<td>247,802,465</td>
</tr>
<tr>
<td>Cropland fertilized, except cropland pasture</td>
<td>703,670</td>
</tr>
<tr>
<td>farms, 2017</td>
<td>718,785</td>
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<tr>
<td>acres treated, 2017</td>
<td>233,302,312</td>
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<tr>
<td>2012</td>
<td>228,657,493</td>
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<tr>
<td>Pastureland and rangeland fertilized</td>
<td>281,367</td>
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<tr>
<td>farms, 2017</td>
<td>262,454</td>
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<tr>
<td>acres treated, 2017</td>
<td>20,463,853</td>
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<tr>
<td>2012</td>
<td>19,144,972</td>
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<tr>
<td>Manure</td>
<td>297,297</td>
</tr>
<tr>
<td>farms, 2017</td>
<td>275,420</td>
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<tr>
<td>acres treated, 2017</td>
<td>23,888,525</td>
</tr>
<tr>
<td>2012</td>
<td>22,072,968</td>
</tr>
<tr>
<td>Organic fertilizer (see text)</td>
<td>50,105</td>
</tr>
<tr>
<td>farms, 2017</td>
<td>(NA)</td>
</tr>
<tr>
<td>acres treated, 2017</td>
<td>3,454,441</td>
</tr>
<tr>
<td>2012</td>
<td>(NA)</td>
</tr>
</tbody>
</table>

https://www.nass.usda.gov/AgCensus/index.php
**SECTION 5  LAND USE PRACTICES**

1. During 2022, considering the **total acres** on this operation, how many acres –
   
a. Were drained by tile? ........................................ 4583

b. Were artificially drained by ditches? ......................... 4584

c. Were under a conservation easement? ...................... 4585

2. During 2022, considering the **cropland acres** on this operation, [on] how many acres –
   
a. Were no-till practices used? .................................. 4586

b. Were conservation or reduced tillage, excluding no-till, practices used? .................. 4587

c. Were intensive or conventional tillage practices used? .............................................. 4588

d. Were planted to a cover crop? (Cover crops are planted primarily for managing soil fertility, soil quality, and controlling weeds, pests, and diseases.) Exclude CRP acres. 4589

3. At any time during 2022, did this operation use precision agriculture practices to manage crops or livestock? This would include the use of global positioning (GPS) guidance systems, GPS yield monitoring and soil mapping, variable rate input applications, use of drones for scouting fields or monitoring livestock, electronic tagging, precision feeding, robotic milking, etc. ........................................ 1169
**SECTION 6 IRRIGATION**

1. Were any acres irrigated on this operation or were there any irrigation systems or irrigation equipment available on this operation in 2022?

   **INCLUDE**
   - Sprinklers, drip or trickle irrigation, etc.
   - Ditches or furrows, controlled and uncontrolled flooding, etc.

   **EXCLUDE**
   - Water used exclusively for home use
   - Water used exclusively for aquaculture

   1177

   ☐ Yes - Continue

   ☐ No - Go to SECTION 7

2. How many acres of harvested cropland were irrigated? ................. 4031

   ☐

3. How many acres of all other land were irrigated? Include pasture and rangeland, CRP and failed cropland, and all other non-harvested cropland........ 4032

   ☐

4. How many acres on this operation have irrigation systems or equipment? Include all acres irrigated in 2022 and acres that could have been irrigated in 2022 using the existing irrigation systems available on the operation, regardless of water rights................. 1187

   ☐

   **Number of Acres**
### SECTION 7 PRACTICES

1. At any time during 2022, did this operation have internet access, either on the operation or at an operator's residence?
   - Yes - Report the type of service that was used to access the internet. Mark all that apply:
     - [□] Cellular data plan for a smartphone or other mobile device
     - [□] Satellite Internet service installed
     - [□] Broadband (high speed) Internet service such as cable, fiber optic, or DSL service installed
     - [□] Dial-up Internet service installed
     - [□] Other, specify below
     - [□] Don't know

2. At any time during 2022, did this operation –
   a. Receive irrigation water supplied by a U.S. Bureau of Reclamation project or facility? Include reclamation water delivered by a local district.
   - [□] Yes  [□] No
   b. Practice rotational or management-intensive grazing?
   - [□] Yes  [□] No
   c. Practice alley cropping, silvopasture, or forest farming, or have riparian forest buffers or windbreaks?
   - [□] Yes  [□] No
   d. Harvest any biomass (crop residue, grasses, woody biomass, etc.) for use in the production of renewable energy? Exclude grains, oilseeds, and firewood.
   - [□] Yes  [□] No
   e. Have an on-farm packing facility for distributing vegetables, potatoes, fruit, nuts, berries, or other crops?
   - [□] Yes  [□] No
   f. Raise or sell veal calves?
   - [□] Yes  [□] No
   g. Have a barn that was built prior to 1960?
   - [□] Yes  [□] No
<table>
<thead>
<tr>
<th>Item</th>
<th>United States</th>
</tr>
</thead>
<tbody>
<tr>
<td>Received irrigation water from the U.S. Bureau of Reclamation</td>
<td>36,407</td>
</tr>
<tr>
<td>farms, 2017</td>
<td>2012</td>
</tr>
<tr>
<td>Practiced alley cropping, silvopasture, forest farming, or had</td>
<td>30,853</td>
</tr>
<tr>
<td>riparian forest buffers or windbreaks (see text)</td>
<td>2012¹</td>
</tr>
<tr>
<td>farms, 2017</td>
<td>2,725</td>
</tr>
<tr>
<td>Harvested biomass for use in renewable energy</td>
<td>9,530</td>
</tr>
<tr>
<td>farms, 2017</td>
<td>2012</td>
</tr>
<tr>
<td>Practiced rotational or management-intensive grazing</td>
<td>265,162</td>
</tr>
<tr>
<td>farms, 2017</td>
<td>2012</td>
</tr>
<tr>
<td>Raised or sold veal calves</td>
<td>7,609</td>
</tr>
<tr>
<td>farms, 2017</td>
<td>2012</td>
</tr>
<tr>
<td>On-farm packing facility</td>
<td>16,035</td>
</tr>
<tr>
<td>farms, 2017</td>
<td>2012</td>
</tr>
<tr>
<td>Had a barn that was built prior to 1960 (see text)</td>
<td>481,195</td>
</tr>
<tr>
<td>farms, 2017</td>
<td>2012</td>
</tr>
<tr>
<td>Aware of right to appeal an adverse program decision to USDA's</td>
<td>670,827</td>
</tr>
<tr>
<td>National Appeals Division (see text)</td>
<td>(NA)</td>
</tr>
</tbody>
</table>
SECTION 8 ORGANIC AGRICULTURE

1. During 2022, did this operation produce organic products according to USDA’s National Organic Program (NOP) standards or have acres transitioning into USDA NOP production? Exclude processing and handling.
   □ Yes - Complete this section  □ No - Go to SECTION 9

2. Report type of production. Mark all that apply.
   □ USDA NOP certified organic production
   □ USDA NOP organic production exempt from certification (exempt is production normally less than $5,000 in sales).
   □ Acres transitioning into USDA NOP organic production.
   □ Production according to USDA NOP standards but NOT certified or exempt.

3. What was the value of USDA NOP certified or exempt organically produced commodities sold from this operation in 2022?

   Mark "X" if None
   □ $ .00

Specify Certifying Agency

Gross Value of Sales
(Dollars)
### Table 42. Organic Agriculture: 2017 and 2012

<table>
<thead>
<tr>
<th>Item</th>
<th>United States</th>
<th>Alabama</th>
<th>Alaska</th>
<th>Arizona</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>VALUE OF SALES OF CERTIFIED OR EXEMPT ORGANICALLY PRODUCED COMMODITIES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total organic product sales</td>
<td>farms, 2017 18,166</td>
<td>37</td>
<td>17</td>
<td>74</td>
</tr>
<tr>
<td></td>
<td>2012                  14,326</td>
<td>27</td>
<td>20</td>
<td>75</td>
</tr>
<tr>
<td></td>
<td>$1,000, 2017 7,277,350</td>
<td>979</td>
<td>(D)</td>
<td>97,956</td>
</tr>
<tr>
<td></td>
<td>2012                  3,120,717</td>
<td>(D)</td>
<td>(D)</td>
<td>54,503</td>
</tr>
<tr>
<td>By value of sales:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$1 to $4,999</td>
<td>farms, 2017 3,867</td>
<td>25</td>
<td>11</td>
<td>25</td>
</tr>
<tr>
<td></td>
<td>2012                  4,289</td>
<td>22</td>
<td>14</td>
<td>46</td>
</tr>
<tr>
<td></td>
<td>$1,000, 2017 7,585</td>
<td>26</td>
<td>17</td>
<td>49</td>
</tr>
<tr>
<td></td>
<td>2012                  8,944</td>
<td>(D)</td>
<td>(D)</td>
<td>(D)</td>
</tr>
<tr>
<td></td>
<td>$5,000 or more</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>farms, 2017 14,299</td>
<td>12</td>
<td>6</td>
<td>49</td>
</tr>
<tr>
<td></td>
<td>2012                  10,037</td>
<td>5</td>
<td>6</td>
<td>29</td>
</tr>
<tr>
<td></td>
<td>$1,000, 2017 7,289,765</td>
<td>953</td>
<td>(D)</td>
<td>97,908</td>
</tr>
<tr>
<td></td>
<td>2012                  3,112,874</td>
<td>(D)</td>
<td>(D)</td>
<td>(D)</td>
</tr>
<tr>
<td><strong>TYPE OF PRODUCTION</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>USDA National Organic Program</td>
<td>certified organic production</td>
<td>farms, 2017 17,741</td>
<td>15</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>2012                  12,771</td>
<td>10</td>
<td>6</td>
<td>42</td>
</tr>
<tr>
<td>USDA National Organic Program organic</td>
<td>production exempt from certification</td>
<td>farms, 2017 3,065</td>
<td>42</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>2012                  3,754</td>
<td>34</td>
<td>17</td>
<td>37</td>
</tr>
<tr>
<td>Acres transitioning into USDA National Organic Program</td>
<td>production</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Sec. 9 – 14: Crops

Gretchen Divincen
Heartland Region
Why do we need Crop info?

• Harvested crop acreage and production are used to develop estimates on the value of crops produced.
• Identify diversity of crop production.
• Yes, it’s valuable for ARMS 3 but also for the Census of Agriculture!
Sec. 9 – 14: Overview

- Each section begins with a Yes/No screening question.
- Sec. 11-14 each have a list of crops and crop codes for the last item in each section.
Sec. 9: Hay and Forage Crops

• Includes any pasture or CRP land that was cut for hay
• Report acreage once, **NOT** per cutting
• If all production will be kept and used on the operation, columns 3 and 4 would be equal
Sec. 10: Woodland Crops

• Acres in Production (for Cultivated Christmas Trees and Short rotation Woody crops) includes what was harvested in 2022 and for future harvest.

• Short rotation woody crop – a tree that grows from seed to mature in 10 years or less

• Maple Syrup – collecting *number of taps* and amount of *syrup produced*
Sec. 11: Field Crops

• Be familiar with the field crop options!
• If there isn’t a good fit, Other seeds and Other field crop are available but please include a note specifying what it is.
• Column 4: Total Production Harvested: Units of Production (e.g. pounds, bushels, hundredweight, tons, etc.) are listed with the commodity. Some conversion may be required!
• Column 7: Cash Sales – includes any year’s production sold in 2022 excluding all contract sales and removals
Sec. 11: Field Crops example

- The operator harvested 160 acres of non-irrigated Winter Wheat for grain. It yielded 40 bushels/acre. All was sold for cash in 2022 at $7.25/bu.

<table>
<thead>
<tr>
<th>Enter Field Crop Name</th>
<th>Enter Code</th>
<th>Acres Harvested</th>
<th>Total Production Harvested</th>
<th>Acres Irrigated</th>
<th>Operation’s share of the total quantity harvested that was (will be) used on this operation for feed, seed, etc.</th>
<th>Cash Sales from any year’s production (Exclude contract sales and removals) (Dollars)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Winter Wheat</td>
<td>4053</td>
<td>160</td>
<td>6 400</td>
<td>4056</td>
<td>4057</td>
<td>4058</td>
</tr>
</tbody>
</table>

Wheat, winter for grain or seed (bushels) 572
Sec. 12: Nursery, Greenhouse, etc.

• Be familiar with the crop types!
• Items 2-3: Report total acreage once even if multiple crops were grown from the same area
• Items 2-4: Area is split up by Square Feet Under Glass or Other Protection and Acres in the Open

  | Square Feet Under Glass or Other Protection
  | Acres in the Open

• Item 4: If more than one type of crop was grown for sale in the same area, report each separately.
Sec. 13: Vegetables, Potatoes, and Melons

• Vegetables grown under glass or other protection should be reported in the previous section (Sec. 12).

• Item 4
  • Other vegetables is an available option. Please specify!
  • Utilization is split out by Acres Harvested for Fresh Market and Acres Harvested for Processing
  • Vegetable seeds grown in the open should be entered as *fresh market* using the crop name and code for which the seed will be grown.
Sec. 14: Fruits, Nuts, and Berries

- Items 2 and 3 split out Total Acres, Irrigated Acres, and Cash Sales for *Fruit and Nuts* from *Berries*.
- *Other non-citrus fruits, Other nuts, and Other berries* are available. Please specify!
- Item 4 splits out acreage by Bearing Age Acres and Nonbearing Age Acres

<table>
<thead>
<tr>
<th>FRUIT AND NUTS</th>
<th>BERRIES</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Acres</strong></td>
<td><strong>Total Acres</strong></td>
</tr>
<tr>
<td>Acres</td>
<td>Tenths</td>
</tr>
<tr>
<td>4227</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Irrigated Acres</strong></td>
<td><strong>Irrigated Acres</strong></td>
</tr>
<tr>
<td>Acres</td>
<td>Tenths</td>
</tr>
<tr>
<td>4228</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>FRUIT AND NUTS</strong></td>
<td><strong>BERRIES</strong></td>
</tr>
<tr>
<td>Cash Sales from any year's production (Exclude contract sales and removals) (Dollars)</td>
<td>Cash Sales from any year's production (Exclude contract sales and removals) (Dollars)</td>
</tr>
<tr>
<td>Mark &quot;X&quot; if None</td>
<td>Mark &quot;X&quot; if None</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>4691</td>
<td>4692</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Bearing Age Acres</strong></td>
<td><strong>Nonbearing Age Acres</strong></td>
</tr>
<tr>
<td>Acres</td>
<td>Tenths</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Sec. 9-14: Highlights

• Sec. 2 Item 1a Cropland harvested (as shown below) with what is reported in Sec. 9-14.

• Be familiar with listed crops.

• Watch production units in Sec. 11 and area size!
Sections 15 – 24: Livestock

Gretchen Divincen
Heartland Region
Sections 15-24: Purpose

• Record inventory, ownership, removal, and cash sales for the operation
• Information allows for better understanding of various compositions of operations with different livestock
• Helps to assess trends in the livestock industry
Section 15: Cattle & Calves

• Inventory:
  • Record total number on operation regardless of ownership – Column 1
  • Record total number owned by the operation – Column 2
  • Record total number of head sold/moved during 2022
    • Calves less than 500 lbs
    • Calves 500 lbs or more
    • Total milk (report in cwt)
Section 15: Cattle & Calves

• Cash/Market Sales
  • Cattle & calves
    • Include fed cattle, cull beef and dairy animals, stocker & feeders and veal calves
    • Exclude breeding stock
  • Breeding Stock
    • Recognized gain/loss on sales
  • Milk from cows
    • Before hauling fees

<table>
<thead>
<tr>
<th>Cash Sales (Excludes contract sales and removals) (Dollars)</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ .00</td>
</tr>
<tr>
<td>$ .00</td>
</tr>
<tr>
<td>$ .00</td>
</tr>
<tr>
<td>$ .00</td>
</tr>
</tbody>
</table>
Section 15: Cattle & Calves

- Cattle in Feedlots
  - Steers & heifers on feed December 31\textsuperscript{st} that were or will be shipped directly from your feedlot to slaughter market
  - Steers & heifers sold that were shipped directly from your feedlot to slaughter
Section 16: Hogs & Pigs

Record
- Number on operation
- Number owned by operation
- Total number sold/moved

Exclude - Hogs grown/fed by someone else

Note: Number owned by operation must be < or = Total Number on operation
Section 16: Hogs & Pigs

Cash/market sales

• Non-Breeding Stock vs Breeding Stock

Exclude – Contract sales and removals
Section 16: Hogs & Pigs

Hog Operation Types

- **Operation Type**
  - Farrow to Wean
  - Farrow to Feeder
  - Farrow to Finish
  - Nursery
  - Finishing
  - Other

- **Farrow to Wean**
  - Sells pigs shortly after being weaned

- **Farrow to Feeder**
  - Sells pigs after being brought up to feed weight (35-55 lbs)

- **Farrow to Finish**
  - Sells pigs after reaching market weight and sold directly to slaughter

- **Nursery**
  - Buys pigs after weaned, feeds for a short time, then moves pigs to finishing operation

- **Finishing**
  - Buys pigs at wean/feeder weight, feeds pigs until market weight, sold directly to slaughter

- **Other**
  - Raising or selling Breeding Stock

Hog Producer Types

- **Producer Type**
  - Independent Grower ~ Contract Grower (Contractee) ~ Contract and/or Intergrator
Section 17: Horses, Ponies, Mules, Burros & Donkeys

• For all types record number of head, total number sold, and cash sales
• Record number of head of horses owned and not owned by the operation but were on the operation

<table>
<thead>
<tr>
<th>Mark “X” if None</th>
<th>Number on this operation Dec. 31, 2022</th>
<th>On Dec. 31, 2022 how many were owned by this operation?</th>
<th>Total Number Sold or Moved from this operation in 2022</th>
<th>Cash Sales (Exclude contract sales and removals) (Dollars)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. Horses and ponies OWNED by this operation . . . . . . . .</td>
<td>4348</td>
<td>4349</td>
<td>4350</td>
<td>$ .00</td>
</tr>
<tr>
<td>3. Horses and ponies NOT OWNED by this operation . . . . . . . .</td>
<td>4351</td>
<td>4352</td>
<td>4353</td>
<td>$ .00</td>
</tr>
<tr>
<td>4. Mules, burros, and donkeys.</td>
<td>4354</td>
<td>4355</td>
<td>4356</td>
<td>4357</td>
</tr>
</tbody>
</table>

• Cash sales
  Exclude – contract sales or removals of animal as well as breeding, stud or products
  Exclude – boarding, training or riding facility income
Section 18: Sheep & Goats

- Record number owned/custom fed, number moved/sold, and cash sales
- Broken out by animal types (report number of head)

<table>
<thead>
<tr>
<th>Animal Type</th>
<th>Number owned or custom fed on December 31, 2022</th>
<th>Total number sold or moved in 2022</th>
<th>Cash Sales (Exclude contract sales and removals) (Dollars)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. Sheep and lambs</td>
<td>4361</td>
<td>4362</td>
<td>4363 $</td>
</tr>
<tr>
<td>a. Hair sheep or wool-hair crosses</td>
<td>4364</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Goats and kids</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a. Angora goats and kids</td>
<td>4366</td>
<td>4367</td>
<td>4368 $</td>
</tr>
<tr>
<td>b. Milk goats and kids</td>
<td>4369</td>
<td>4370</td>
<td>4371 $</td>
</tr>
<tr>
<td>c. Meat goats and kids, other goats and kids</td>
<td>4372</td>
<td>4373</td>
<td>4374 $</td>
</tr>
</tbody>
</table>
## Section 18: Sheep & Goats

- Broken out by product types (report number of lbs)

<table>
<thead>
<tr>
<th>4. Sheep and goat products</th>
<th>Total amount produced in 2022</th>
<th>Total amount sold or moved in 2022</th>
<th>Cash Sales (Exclude contract sales and removals) (Dollars)</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Wool shorn</td>
<td>4375 lbs.</td>
<td>4375 lbs.</td>
<td>$ 4377 .00</td>
</tr>
<tr>
<td>b. Mohair clipped</td>
<td>4378 lbs.</td>
<td>4379 lbs.</td>
<td>$ 4380 .00</td>
</tr>
<tr>
<td>c. Milk from sheep and goats</td>
<td></td>
<td></td>
<td>$ 4381 .00</td>
</tr>
</tbody>
</table>
Section 19: Aquaculture

• Record aquaculture type, pounds sold/moved OR total number sold/moved, and cash sales

• For all aquaculture raised on this operation include

• Aquatic plants are not to be reported here as we have already gathered that information in Section 12

<table>
<thead>
<tr>
<th>AQUACULTURE</th>
<th>CODE</th>
<th>AQUACULTURE</th>
<th>CODE</th>
<th>AQUACULTURE</th>
<th>CODE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Catfish</td>
<td>0860</td>
<td>Crustaceans (crawfish for food,</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>shrimp, softshell crabs, etc.)</td>
<td>0902</td>
<td>Other aquaculture products - include algae,</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>alligators, caviar, turtles, etc., specify above</td>
<td></td>
</tr>
<tr>
<td>Trout</td>
<td>0863</td>
<td>Mollusks (clams, oysters, etc.)</td>
<td>0978</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other food fish - include</td>
<td>0896</td>
<td>Ornamental fish</td>
<td>0980</td>
<td></td>
<td></td>
</tr>
<tr>
<td>salmon, specify in table</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Section 20: Poultry

- Broken out by animal type and then class
- Record number on operation, owned by operation, moved/sold, and cash sales

<table>
<thead>
<tr>
<th></th>
<th>Number on this operation Dec. 31, 2022</th>
<th>On Dec. 31, 2022 how many were owned by this operation?</th>
<th>Total number sold or moved from this operation in 2022</th>
<th>Cash Sales (Exclude contract sales and removals) (Dollars)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2a</td>
<td>0265</td>
<td>0297</td>
<td>0264</td>
<td>0513 $</td>
</tr>
<tr>
<td></td>
<td>0249</td>
<td>0250</td>
<td>0248</td>
<td>4404 $</td>
</tr>
<tr>
<td>2b</td>
<td>4406</td>
<td>4407</td>
<td>4408</td>
<td>4409 $</td>
</tr>
<tr>
<td></td>
<td>4410</td>
<td>4411</td>
<td>4412</td>
<td>4413 $</td>
</tr>
<tr>
<td></td>
<td>4414</td>
<td>4415</td>
<td>4416</td>
<td>4417 $</td>
</tr>
<tr>
<td>2c</td>
<td></td>
<td></td>
<td>. . . .</td>
<td>. . . .</td>
</tr>
<tr>
<td>2d</td>
<td></td>
<td></td>
<td>. . . .</td>
<td>. . . .</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>. . . .</td>
<td>. . . .</td>
</tr>
</tbody>
</table>

United States Department of Agriculture
National Agricultural Statistics Service
Section 20: Poultry

- Record number on operation, owned by operation, moved/sold, and cash sales
  - Turkeys
  - All Other Poultry
- Poultry hatched
  - Number hatched & type

<table>
<thead>
<tr>
<th>1. Enter Poultry Type</th>
<th>2. Enter Code</th>
<th>3. Number on this operation Dec. 31, 2022</th>
<th>4. How many were owned by this operation?</th>
<th>5. Total number sold or moved from this operation in 2022</th>
<th>6. Cash Sales (Exclude contract sales and $)</th>
</tr>
</thead>
<tbody>
<tr>
<td>4431</td>
<td>4432</td>
<td>4433</td>
<td>4434</td>
<td>4435</td>
<td>$0.00</td>
</tr>
</tbody>
</table>
Section 20: Poultry

5. Poultry Hatched

a. All poultry hatched in this operation’s hatcheries in 2022. Include chicks, pouls, ducklings, etc. Include poultry custom hatched for others. 4455

b. What type(s) of poultry was hatched in this operation’s hatcheries in 2022? Mark all that apply:

- Egg-type chickens 4456
- Broiler-type chickens 4457
- Turkeys 4458
- All other poultry 4459

Number hatched on this operation in 2022

Mark "X" if None
**Sections 21 : Colonies of Honey Bees**

### SECTION 21

**COLONIES OF HONEY BEES**

1. Did this operation own honey bees in 2022, regardless of location, or did this operation receive any income from honey in 2022?  
   - [ ] Yes - Complete this section  
   - [x] No - Go to SECTION 22

2. Colonies of honey bees owned

<table>
<thead>
<tr>
<th>Number of colonies owned on December 31, 2022</th>
<th>Largest number of colonies owned for all purposes in 2022</th>
<th>Largest number of honey producing colonies owned in 2022</th>
<th>Honey collected in 2022, regardless of location (Pounds)</th>
<th>Cash Sales of Honey (Exclude contract sales and removals) (Dollars)</th>
</tr>
</thead>
<tbody>
<tr>
<td>4461</td>
<td>4462</td>
<td>4463</td>
<td>4464</td>
<td>4465 $ .00</td>
</tr>
</tbody>
</table>
### SECTION 22: OTHER LIVESTOCK

1. Did you or anyone else have other livestock on this operation in 2022, or did this operation receive any income from other livestock in 2022? Include your landlord’s share and production for others on a contract basis.

   - **Yes** - Complete this section
   - **No** - Go to SECTION 23

2. Fill in the columns below for all other livestock on this operation in 2022. For income received in 2022, report the dollar amount this operation received after subtracting marketing expenses. Enter the livestock type and code from the table below.

   - Exclude contract sales and removals and your landlord’s share of sales.

<table>
<thead>
<tr>
<th>Enter Livestock Type</th>
<th>Enter Code</th>
<th>Number on this operation Dec. 31, 2022</th>
<th>On Dec. 31, 2022 how many were owned by this operation?</th>
<th>Total number sold or moved in 2022</th>
<th>Cash Sales (Exclude contract sales and removals) (Dollars)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>4495</td>
<td>4496</td>
<td>4497</td>
<td>4496</td>
<td>$</td>
</tr>
</tbody>
</table>

#### OTHER LIVESTOCK

<table>
<thead>
<tr>
<th>CODE</th>
<th>OTHER LIVESTOCK</th>
<th>CODE</th>
<th>OTHER LIVESTOCK</th>
<th>CODE</th>
<th>OTHER LIVESTOCK</th>
</tr>
</thead>
<tbody>
<tr>
<td>0876</td>
<td>Alpacas</td>
<td>0888</td>
<td>Deer in captivity</td>
<td>1106</td>
<td>Live mink (report pelts in SECTION 23)</td>
</tr>
<tr>
<td>4790</td>
<td>Package bees</td>
<td>0890</td>
<td>Elk in captivity</td>
<td>1108</td>
<td>Live rabbits (report pelts in SECTION 23)</td>
</tr>
<tr>
<td>4840</td>
<td>Bees, other than honey or package bees</td>
<td>4892</td>
<td>Laboratory animals</td>
<td>1108</td>
<td>Worms</td>
</tr>
<tr>
<td>0886</td>
<td>Bison</td>
<td>0874</td>
<td>Llamas</td>
<td>4895</td>
<td>Other livestock, specify above</td>
</tr>
</tbody>
</table>

---

United States Department of Agriculture
National Agricultural Statistics Service
Section 23: Livestock Products

• Any livestock products that are produced or sold on the operation but not specifically asked for in any proceeding sections is recorded here.

• List the type of livestock product, quantity that was produced in 2022 and the corresponding unit, and any cash sales.

<table>
<thead>
<tr>
<th>Enter Livestock Product Type</th>
<th>Enter Code</th>
<th>Quantity Produced in 2022</th>
<th>Unit</th>
<th>Cash Sales (Exclude current sales and removals) (Dollars)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$ 0.00</td>
</tr>
<tr>
<td>4530</td>
<td>4501</td>
<td>4502</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4943</td>
<td>4949</td>
<td>4950</td>
<td></td>
<td>$ 0.00</td>
</tr>
<tr>
<td>4953</td>
<td>4954</td>
<td>4955</td>
<td></td>
<td>$ 0.00</td>
</tr>
</tbody>
</table>

If more space is needed, use a separate sheet of paper.

- Beeswax: Code 4901
- Breeding fees: Code 4940
- Embryos: Code 4942
- Fur or pelts (include mink): Code 4946
- Horns: Code 4961
- Manure sold: Code 4952
- Semen: Code 4955
- Other animal products not listed, specify above: Code 4968

United States Department of Agriculture
National Agricultural Statistics Service
Section 24: Other Operations, Growing, Feed or Raising Livestock for this Operation

- In this section we will gather any livestock that was owned by this operation but being raised by another operation.

<table>
<thead>
<tr>
<th>1</th>
<th>What livestock or poultry were being raised or fed for this operation? [List type below]</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Commodity Code Office Use Only (Code)</td>
</tr>
<tr>
<td>3</td>
<td>What was the market value of [type] on hand on contractee operations on Jan. 1, 2022? (Dollars)</td>
</tr>
<tr>
<td>4</td>
<td>What was the estimated market value (at placement) of [type] placed under contract DURING 2022? (Dollars)</td>
</tr>
<tr>
<td>5</td>
<td>How much was paid to contractees for labor, management, and reimbursement for expenses? (Dollars)</td>
</tr>
<tr>
<td>6</td>
<td>How much were the GROSS receipts from [type] sold or removed under this contract? (Dollars)</td>
</tr>
<tr>
<td>7</td>
<td>On Dec. 31, 2022 what was the market value of unsold [type] remaining under contract? (Dollars)</td>
</tr>
</tbody>
</table>
Section 24: Contract Examples

• Cow/calf producer weans calves and has another producer raise the cattle to a certain weight for them.

• Dairy operator pays another producer to raise dairy replacement heifers until they return to the dairy.

• Hog farrowing operation contracts with another hog operation to raise weaned pig up to slaughter weight.
Section 24: Livestock Type & Value

• Livestock contracted out
  • Be specific

• Commodity code
  • Use the respondent booklet for the 3-digit livestock code

• Market Value

<table>
<thead>
<tr>
<th></th>
<th>1. What livestock or poultry were being raised or fed for this operation? [List type below.]</th>
<th>2. Commodity Code (Code)</th>
<th>3. What was the market value of [type] on hand on contractee operations on Jan. 1, 2022? (Dollars)</th>
<th>4. What was the estimated market value (at placement) of [type] placed under contract during 2022? (Dollars)</th>
</tr>
</thead>
</table>

Section 24: Fees, Receipts, & Unsold Value

• Total amount paid to contractees
• Gross receipts
• Market value of unsold commodities

• Reminder! – Data reported in Section 24 is NOT reported anywhere else in the questionnaire
Wrap – Up

• We want to make sure we are gathering accurate inventories and sales for all livestock types

• Be aware of reporting units, especially for livestock products
  • Wool, mohair, milk, eggs
Sections: 15 - 24

Thank you for watching!!
Sections 25 & 26
Why use contracts?

Farmers
• Manage risks
• Compensation for quality
• Outlet for products
• Assurance for financing

Processors
• Timely flow
• Control over attributes
• Consistency
Distribution of farms with contracts and value of production under contract, by farm type, 2020

Percent of U.S. farms with contracts and percent of U.S. value of production under contract

U.S. farms with contracts*

- Small family farms: 54.8%
- Midsize family farms: 23.9%
- Large-scale family farms: 15.8%
- Nonfamily farms: 5.5%

U.S. value of production under contract**

- Small family farms: 22.5%
- Midsize family farms: 20.6%
- Large-scale family farms: 43.8%
- Nonfamily farms: 13.2%

*Farms reporting production under production contracts, marketing contracts, or both.
**Includes commodities under production or marketing contracts.
Note: Small family farms have annual gross cash farm income (GCFI) less than $350,000, measured before deducting expenses. Midsize family farms have GCFI of $350,000–$999,999. Large-scale family farms have GCFI of $1,000,000 or more.

Marketing vs. Production Contracts

- **Marketing Contracts** identify an outlet for a commodity and set pricing and delivery specifications.
  - Producer owns the commodity
  - Payment is like a “Price”, because commodity changes hands

- **Production Contracts** specify responsibilities for the provision of inputs, payment of expenses, production practices, compensation, and removal
  - Producer does NOT own the commodity. They provide a service.
  - Payment is a “Fee for service”
### MARKETING and PRODUCTION CONTRACTS

1. Did this operation have **marketing** or **production** contracts for any commodities delivered in 2022? (A marketing contract is a verbal or written agreement reached before harvest of a crop or before completion of a livestock production stage, setting a price or pricing formula and market for the commodity. A production contract is an agreement setting terms, conditions, and fees to be paid by the contractor to the operation for the production of crops, livestock, or poultry.)

   - [ ] Yes - Complete this section
   - [ ] No - Go to SECTION 26

2. Report the commodities delivered in 2022 through **marketing** or **production** contract(s). List the quantities delivered and the final price/fee received. *(Include the quantity delivered or removed under contract. Exclude money received from contractors as reimbursement for expenses. Exclude landlord shares (report in SECTION 27) and marketing charges (report in SECTION 32, Item 34).)*

   For each item below, report the MARKET VALUE(s) of the assets owned by the operation on the dates specified.

<table>
<thead>
<tr>
<th>Item</th>
<th>MARKET VALUE(s) of Assets</th>
<th>Beginning of Year JAN. 1, 2022? (Dollars)</th>
<th>End of Year DEC. 31, 2022? (Dollars)</th>
</tr>
</thead>
<tbody>
<tr>
<td>a.</td>
<td></td>
<td>0888</td>
<td>0889</td>
</tr>
<tr>
<td>b.</td>
<td></td>
<td>0885</td>
<td>0884</td>
</tr>
<tr>
<td>c.</td>
<td></td>
<td>0876</td>
<td>0877</td>
</tr>
<tr>
<td>d.</td>
<td></td>
<td>0880</td>
<td>0881</td>
</tr>
</tbody>
</table>

   - “Delivered in 2022”

   - Marketing Contract undelivered, still on-hand

   - Production Contract still not delivered, but inputs used
### Marketing and Production Contracts

1. Did this operation have **marketing** or **production** contracts for any commodities delivered in 2022? (A marketing contract is a verbal or written agreement reached before harvest of a crop or before completion of a livestock production stage, setting a price or pricing formula and market for the commodity. A production contract is an agreement setting terms, conditions, and fees to be paid by the contractor to the operation for the production of crops, livestock, or poultry.)

   - **Yes** - Complete this section
   - **No** - Go to SECTION 26

2. Report the commodities delivered in 2022 through **marketing** or **production** contract(s). List the quantities delivered and the final price/fee received. *(Include the quantity delivered or removed under contract. Exclude money received from contractors as reimbursement for expenses. Exclude landlord shares (report in SECTION 27) and marketing charges (report in SECTION 32, Item 34).)*

   For each item below, report the **MARKET VALUE** (S) of the assets owned by the operation on the dates specified.

#### 5. What was the **ESTIMATED MARKET VALUE** for the farm share of [item] on —

   - a. crops owned and stored on or off this operation? *(Include crops stored at coop or gin warehouse, specialty crops, fruit storage, hay, silage, and nursery products not in the ground. Exclude trees and vines and crops under CCC loans.)*
   - b. breeding livestock owned by and located on or off this operation? *(Include aquaculture, bees, cattle, equine, hogs, mink, poultry, sheep, etc., kept for breeding purposes.)*
   - c. non-breeding livestock owned by and located on or off this operation? *(Include aquaculture, bees, cattle, equine, hogs, mink, poultry, sheep, etc., kept for non-breeding purposes. Include livestock products such as honey, mohair, and wool.)*
   - d. production inputs already used by this operation for cover crops or crops planted but not yet mature for harvest (also known as sunk costs), or the value of inputs used for production contracts that have yet to be delivered?

### Marketing Contract from prior year crop, delivered in 2022

**Delivered in 2022**

### Inputs for Production Contract started in prior year
SECTION 25  MARKETING and PRODUCTION CONTRACTS

1. Did this operation have marketing or production contracts for any commodities delivered in 2022? (A marketing contract is a verbal or written agreement reached before harvest of a crop or before completion of a livestock production stage, setting a price or pricing formula and market for the commodity. A production contract is an agreement setting terms, conditions, and fees to be paid by the contractor to the operator for the production of crops, livestock, or poultry.)

☐ Yes - Complete this section
☐ No - Go to SECTION 26

2. Report the commodities delivered in 2022 through marketing or production contract(s). List the quantities delivered and the final price/fee received. (Include the quantity delivered or removed under contract. Exclude money received from contractors as reimbursement for expenses. Exclude landlord shares (report in SECTION 21) and marketing charges (report in SECTION 32, Item 34).)

<table>
<thead>
<tr>
<th>Commodity Code</th>
<th>Commodity Code</th>
<th>Marketing or Production Contract?</th>
<th>Quantity of this commodity delivered through this contract (Excluding landlord's share)</th>
<th>Unit Code</th>
<th>What was (will be) the final price/fee received per unit by this operation for this commodity delivered under this contract? (Dollars &amp; Cents)</th>
<th>What was the total dollar amount received in 2022 from this contract? (Total Dollars)</th>
</tr>
</thead>
<tbody>
<tr>
<td>3927</td>
<td>3556</td>
<td>3628</td>
<td>3920</td>
<td>04</td>
<td>$32.75</td>
<td>$375.00</td>
</tr>
<tr>
<td>3932</td>
<td>3551</td>
<td>3633</td>
<td>3934</td>
<td>05</td>
<td>$32.75</td>
<td>$375.00</td>
</tr>
</tbody>
</table>

If more space is needed, please use a separate sheet of paper.

"Delivered" includes commodities for which partial payment was made even if not physically delivered by December 31, 2022.

<table>
<thead>
<tr>
<th>Unit</th>
<th>Code</th>
<th>Unit</th>
<th>Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pound</td>
<td>01</td>
<td>Bin</td>
<td>05</td>
</tr>
<tr>
<td>CWT</td>
<td>02</td>
<td>Box</td>
<td>06</td>
</tr>
<tr>
<td>Ton</td>
<td>03</td>
<td>Bale</td>
<td>07</td>
</tr>
<tr>
<td>Bushels</td>
<td>04</td>
<td>Carton</td>
<td>08</td>
</tr>
<tr>
<td>Dozen</td>
<td>09</td>
<td>Flat</td>
<td>10</td>
</tr>
<tr>
<td>Head / Bird</td>
<td>11</td>
<td>Acre</td>
<td>12</td>
</tr>
<tr>
<td>Plant / Pot.</td>
<td>13</td>
<td>Animal Space</td>
<td>39</td>
</tr>
<tr>
<td>Barrel</td>
<td>20</td>
<td>Kilogram</td>
<td>40</td>
</tr>
</tbody>
</table>
# MARKETING and PRODUCTION CONTRACTS

1. Did this operation have **marketing** or **production** contracts for any commodities delivered\(^1\) in 2022? (A marketing contract is a verbal or written agreement reached before harvest of a crop or before completion of a livestock production stage, setting a price or pricing formula and market for the commodity. A production contract is an agreement setting terms, conditions, and fees to be paid by the contractor to the operator for the production of crops, livestock, or poultry.)

\(^1\)“Delivered” includes commodities for which partial payment was made even if not physically delivered by December 31, 2022.

<table>
<thead>
<tr>
<th>What commodities did this operation have MARKETING or PRODUCTION contracts for in 2022? [Write in commodities]</th>
<th>Commodity Code</th>
<th>Marketing or Production Contract? Marketing=1 Production=2</th>
<th>Marketing=1 (Exclude landlord’s share)</th>
<th>Quantity of this commodity delivered through this contract (from list below)</th>
<th>Unit Code</th>
<th>What was (will be) the FINAL PRICE/FEE RECEIVED per unit by this operation for this commodity delivered under this contract? (Dollars &amp; Cents)</th>
<th>What was the total dollar amount received in 2022 from this contract? (Total Dollars)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commodity example</td>
<td>3927</td>
<td>3556</td>
<td>3628</td>
<td>3026</td>
<td>3930</td>
<td>$37500</td>
<td>$00</td>
</tr>
<tr>
<td></td>
<td>3932</td>
<td>3551</td>
<td>3633</td>
<td>3034</td>
<td>3935</td>
<td>$00</td>
<td></td>
</tr>
</tbody>
</table>

If more space is needed, please use a separate sheet of paper.
**SECTION 25**

**MARKETING and PRODUCTION CONTRACTS**

1. **Did this operation have marketing or production contracts for any commodities delivered in 2022?**
   (A marketing contract is a verbal or written agreement reached before harvest of a crop or before completion of a livestock production stage, setting a price or pricing formula and market for the commodity. A production contract is an agreement setting terms, conditions, and fees to be paid by the contractor to the operator for the production of crops, livestock, or poultry.)

   - Yes - Complete this section
   - No - Go to SECTION 26

2. **Report the commodities delivered in 2022 through marketing or production contract(s).** List the quantities delivered and the final price/fee received. *(Include* the quantity delivered or removed under contract. *Exclude* money received from contractors as reimbursement for expenses. *Exclude* landlord shares (report in SECTION 21) and marketing charges (report in SECTION 32, Item 34).)

   - What commodities did this operation have MARKETING or PRODUCTION contracts for in 2022?  
     - [Write in commodities]

   - Commodity Code
   - Marketing or Production Contract
   - Quantity of this commodity delivered through this contract
   - Unit Code
   - What was (will be) the FINAL PRICE/FEE RECEIVED per unit by this operation for this commodity delivered under this contract?
   - Total Dollar amount received in 2022 from this contract?

<table>
<thead>
<tr>
<th>Commodity example</th>
<th>Code</th>
<th>Marketing or Production Contract</th>
<th>Quantity</th>
<th>Unit Code</th>
<th>What was (will be) the FINAL PRICE/FEE RECEIVED per unit by this operation for this commodity delivered under this contract?</th>
<th>Total Dollar amount received in 2022 from this contract?</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

If more space is needed, please use a separate sheet of paper.

*“Delivered” includes commodities for which partial payment was made even if not physically delivered by December 31, 2022.*
### MARKETING and PRODUCTION CONTRACTS

1. Did this operation have marketing or production contracts for any commodities delivered in 2022? (A marketing contract is a verbal or written agreement reached before harvest of a crop or before completion of a livestock production stage, setting a price or pricing formula and market for the commodity. A production contract is an agreement setting terms, conditions, and fees to be paid by the contractor to the operation for the production of crops, livestock, or poultry.)

   - [ ] Yes - Complete this section
   - [ ] No - Go to SECTION 26

2. Report the commodities delivered in 2022 through marketing or production contract(s). List the quantities delivered and the final price/fee received. (Include the quantity delivered or removed under contract. Exclude money received from contractors as reimbursement for expenses. Exclude landlord shares (report in SECTION 21) and marketing charges (report in SECTION 32, Item 34).)

<table>
<thead>
<tr>
<th>What commodities did this operation have MARKETING OR PRODUCTION contracts for in 2022?</th>
<th>Commodity Code</th>
<th>Marketing or Production Contract? (Marketing=1 Production=2)</th>
<th>Quantity of this commodity delivered through this contract? (Exclude landlord's share)</th>
<th>Unit Code (from list below)</th>
<th>What was (will be) the FINAL PRICE/FEE RECEIVED per unit by this operation for this commodity delivered under this contract? (Dollars &amp; Cents)</th>
<th>What was the total dollar amount received in 2022 from this contract? (Total Dollars)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commodity example</td>
<td>3927</td>
<td>3556</td>
<td>3628</td>
<td>3926</td>
<td>3930</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>3932</td>
<td>3551</td>
<td>3633</td>
<td>3934</td>
<td>3935</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

If more space is needed, please use a separate sheet of paper.

"Delivered" includes commodities for which partial payment was made even if not physically delivered by December 31, 2022.

<table>
<thead>
<tr>
<th>Unit</th>
<th>Code</th>
<th>Unit</th>
<th>Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pound</td>
<td>01</td>
<td>Bin</td>
<td>05</td>
</tr>
<tr>
<td>CWT</td>
<td>02</td>
<td>Box</td>
<td>06</td>
</tr>
<tr>
<td>Ton</td>
<td>03</td>
<td>Bale</td>
<td>07</td>
</tr>
<tr>
<td>Bushels</td>
<td>04</td>
<td>Carton</td>
<td>08</td>
</tr>
<tr>
<td>Dozen</td>
<td>09</td>
<td>Flat</td>
<td>10</td>
</tr>
<tr>
<td>Head / Bird</td>
<td>11</td>
<td>Acre</td>
<td>22</td>
</tr>
<tr>
<td>Animal Space</td>
<td>39</td>
<td>Barrel</td>
<td>20</td>
</tr>
<tr>
<td>Kilogram</td>
<td>40</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

---

United States Department of Agriculture
National Agricultural Statistics Service
## MARKETING and PRODUCTION CONTRACTS

1. Did this operation have **marketing** or **production** contracts for any commodities delivered in 2022? (A marketing contract is a verbal or written agreement reached before harvest of a crop or before completion of a livestock production stage, setting a price or pricing formula and market for the commodity. A production contract is an agreement setting terms, conditions, and fees to be paid by the contractor to the operator for the production of crops, livestock, or poultry.)

   - [ ] Yes - Complete this section
   - [ ] No - Go to SECTION 26

2. Report the commodities delivered in 2022 through **marketing** or **production** contract(s). List the quantities delivered and the final price/fee received. (Include the quantity delivered or removed under contract. Exclude money received from contractors as reimbursement for expenses. Exclude landlord shares (report in SECTION 21) and marketing charges (report in SECTION 32, Item 34).)

<p>| What commodities did this operation have MARKETING or PRODUCTION contracts for in 2022? |</p>
<table>
<thead>
<tr>
<th>Commodity example</th>
</tr>
</thead>
<tbody>
<tr>
<td>3927</td>
</tr>
<tr>
<td>3932</td>
</tr>
</tbody>
</table>

If more space is needed, please use a separate sheet of paper.

**"Delivered" includes commodities for which partial payment was made even if not physically delivered by December 31, 2022.**

<table>
<thead>
<tr>
<th>Unit Code</th>
<th>Unit Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bin</td>
<td>Dozen</td>
</tr>
<tr>
<td>CWT</td>
<td>Flat.</td>
</tr>
<tr>
<td>Bale</td>
<td>Head / Bird</td>
</tr>
<tr>
<td>Carton</td>
<td>Plant / Pot.</td>
</tr>
<tr>
<td>Pounds</td>
<td>Barrels</td>
</tr>
<tr>
<td>Acres</td>
<td>Animal Space</td>
</tr>
</tbody>
</table>

---

**United States Department of Agriculture**

**National Agricultural Statistics Service**
EXAMPLE: The producer sold 80 calves under a marketing contract for $160 per hundredweight, and was paid-in-full ($64,000 total). The calves weighed 500 pounds each on average (40,000 pounds total).
EXAMPLE: The producer sold 80 calves under a marketing contract for $160 per hundredweight, and was paid-in-full ($64,000 total). The calves weighed 500 pounds each on average (40,000 pounds total).
EXAMPLE: The producer sold 80 calves under a marketing contract for $160 per hundredweight, and was paid-in-full ($64,000 total). The calves weighed 500 pounds each on average (40,000 pounds total).
EXAMPLE: The producer sold 80 calves under a marketing contract for $160 per hundredweight, and was paid-in-full ($64,000 total). The calves weighed 500 pounds each on average (40,000 pounds total).
Accounts Receivable

• Deferred payments across calendar years  
  • NOT the same as unsold crops
• Unsold vs. Money owed (do not duplicate)
  • Unsold commodities belong in E.O.Y. inventory (Assets Section), because they have not been sold yet
  • Accounts Receivable is what is owed for commodities that have already been sold (delivered), but not paid yet
EXAMPLE:
The producer delivered 1,000 cwt of milk @ $17/cwt in December last year, and was paid in the first week of January.

At the end of this year, he delivered 1,000 cwt of milk @ $20/cwt, and was paid the first week of next year.

<table>
<thead>
<tr>
<th>SECTION 26</th>
<th>ACCOUNTS RECEIVABLE &amp; DEFERRED PAYMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. For each item below, report income received or the amount owed to the operation on the dates specified. (Include cash sales, marketing contract sales, and production contract removals. Exclude crops in storage and not yet sold.)</td>
<td></td>
</tr>
<tr>
<td>[NOTE: Crops in storage and not sold as of the reference date should be reported in Section 33, Item 5a]</td>
<td></td>
</tr>
<tr>
<td>a. On January 1, 2022, what was the total dollar amount owed to this operation for all commodities produced and sold (cash or contract) before January 1, 2022?</td>
<td></td>
</tr>
<tr>
<td>(i) How much did this operation receive from Item 1a during 2022?</td>
<td></td>
</tr>
<tr>
<td>b. What was the total dollar amount owed to this operation on December 31, 2022, for all commodities produced, sold (cash or contract), delivered, or removed under contract in 2022 and earlier years?</td>
<td></td>
</tr>
<tr>
<td>Mark &quot;X&quot; if None</td>
<td></td>
</tr>
<tr>
<td>Dollars</td>
<td></td>
</tr>
<tr>
<td>$17 000</td>
<td></td>
</tr>
<tr>
<td>$17 000</td>
<td></td>
</tr>
<tr>
<td>$20 000</td>
<td></td>
</tr>
</tbody>
</table>
### SECTION 25

<table>
<thead>
<tr>
<th>Commodity Code</th>
<th>Code Office Use Only</th>
<th>Marketing or Production Contract?</th>
<th>Quantity of this commodity delivered through this contract? (Code)</th>
<th>Unit Code (from list below)</th>
<th>What was (will be) the FINAL PRICE RECEIVED per unit by this operation for this commodity delivered under this contract? (Dollars &amp; Cents)</th>
<th>What was the total dollar amount received in 2022 from this contract? (Total Dollars)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Milk</td>
<td>3927</td>
<td>909</td>
<td>3928</td>
<td>52 000</td>
<td>3929 2</td>
<td>3930 $20 000</td>
</tr>
</tbody>
</table>

\[ (52,000 \text{ cwt}) \times (\$20/\text{cwt}) = \$1,040,000 \]

\[ (\$1,040,000 - \$20,000) = \$1,020,000 \text{ received} \]

### SECTION 26

**ACCOUNTS RECEIVABLE & DEFERRED PAYMENTS**

1. For each item below, report income received or the amount owed to the operation on the dates specified.
   (Include cash sales, marketing contract sales, and production contract removals. Exclude crops in storage and not yet sold.)

   [NOTE: Crops in storage and not sold as of the reference date should be reported in Section 33, Item 5a.]

<table>
<thead>
<tr>
<th>Mark &quot;X&quot; if None</th>
<th>Dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>17 000</td>
</tr>
</tbody>
</table>

   a. On January 1, 2022, what was the total dollar amount owed to this operation for all commodities produced and sold (cash or contract) before January 1, 2022? 0885

   (i) How much did this operation receive from Item 1a during 2022? 0875

   □ $17,000

   b. What was the total dollar amount owed to this operation on December 31, 2022, for all commodities produced, sold (cash or contract), delivered, or removed under contract in 2022 and earlier years? 0886

   □ $20,000
### SECTION 25

<table>
<thead>
<tr>
<th>Commodity Code</th>
<th>Market Use Only (Code)</th>
<th>Marketing or Production Contract?</th>
<th>Quantity of this commodity delivered through this contract (Exclude landlord's share) (Code)</th>
<th>Unit Code (from list below)</th>
<th>What was (will be) the final price/fee received per unit by this operation for this commodity delivered under this contract? (Dollars &amp; Cents)</th>
<th>What was the total dollar amount received in 2022 from this contract? (Total Dollars)</th>
</tr>
</thead>
<tbody>
<tr>
<td>3927</td>
<td>6156</td>
<td>1</td>
<td>3928</td>
<td>100000</td>
<td>1</td>
<td>$ 0 42</td>
</tr>
</tbody>
</table>

\[(100,000 \text{ lbs}) \times (42 \text{ cents/lb}) = $42,000\]

### SECTION 26

**ACCOUNTS RECEIVABLE & DEFERRED PAYMENTS**

1. For each item below, report income received or the amount owed to the operation on the dates specified. *(Include cash sales, marketing contract sales, and production contract removals. Exclude crops in storage and not yet sold.)*

**[NOTE: Crops in storage and not sold as of the reference date should be reported in Section 33, Item 5a]**

<table>
<thead>
<tr>
<th>Mark &quot;X&quot; if None</th>
<th>Dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. On January 1, 2022, what was the total dollar amount owed to this operation for all commodities produced and sold (cash or contract) before January 1, 2022?</td>
<td>$0 00</td>
</tr>
<tr>
<td>(ii) How much did this operation receive from Item 1a during 2022?</td>
<td>$0 00</td>
</tr>
<tr>
<td>b. What was the total dollar amount owed to this operation on December 31, 2022, for all commodities produced, sold (cash or contract), delivered, or removed under contract in 2022 and earlier years?</td>
<td>$21 000 00</td>
</tr>
</tbody>
</table>
Conclusion
Sections 27-31

Gretchen Divincen
Heartland Region
Section 27. Landlord’s Share of Crops & Livestock

The purpose of this section is to identify the market value of any crops or livestock given to the landlord in exchange for the use of the land.
Section 27. Landlord’s Share

• Market value of the share is defined as the value at the time the landlord takes possession of the commodity

• Probe to make sure values reported in this section are not reported elsewhere in the questionnaire

• Exclude livestock production not associated with the rent of the land, such as cattle on shares
Section 28. Marketing Practices

The purpose of this section is to identify value-added and food products produced and sold by the operation.
Section 28. Value-Added

• Value-added products are produced from commodities originating from the operation and include activities that increases the economic value of the agricultural commodity.

• Activities include processing, bottling, packaging in consumer size containers, etc.

• Examples of value-added products include jam, wine, cheese, meat, floral arrangements, cider, etc.
Section 28. Food Products

- Operation sold directly to:
  - Consumers (farmers markets, farm stores, CSAs)
  - Retail Markets (food co-ops, grocery stores, restaurants)
  - Institutions (K-12 schools, universities, hospitals)
  - Intermediate Markets (distributors, food hubs, food processors)
- Include edible products
- Exclude nonfood items (craft items, hay, cut flowers, etc.)
Section 29. Government Payments & Other Farm Related Income

The purpose is to collect all other farm-related income sources that contribute to the farm operation’s gross income.
Section 29. CCC Loans

• 1099-G

• Commodity Credit Corporation (CCC) Loans
  • Provide interim financing at harvest
  • Farmers use crop as collateral
  • Option to pay back the loan or deliver the crop
Section 29. Conservation

• Conservation Reserve Program (CRP)
  • 10-15 year program to mitigate erosion, improve water quality, and wildlife habitat.

• Environmental Quality Incentives Program (EQIP)
  • Provides assistance to plan/implement conservation practice to improve soil, water, plant, animal, air, and other natural resources.

• Conservation Stewardship Program (CSP)
  • Promotes sustainable production on working lands
Section 29. Disaster Relief

- **Price Loss Coverage (PLC)**
  - Program payments issued when effective crop price is less than the program reference price.

- **Agricultural Risk Coverage (ARC)**
  - Income support program tied to the historical base acres, not current production of that crop.

- **Dairy Margin Coverage (DMC)**
  - Risk management program for dairy producers.

- **Disaster Payments**
  - Emergency funding made available after severe weather events, drought or fire.
Section 29. Other Programs

• COVID-19 Program Payments

• All Other Federal, State, or Local Program Payments
  • Income support program tied to the historical base acres, not current production of that crop.
Section 29. Other Farm Income

• Do NOT include income previously reported
• All income reported must be part of this operation

• Custom Work
• Grazing of Livestock
• Insurance Indemnity Payments
• All Other Farm Income
Section 30. Renewable Energy

The purpose of this section is to check renewable energy producing systems that were on the operation during 2022, regardless of ownership.
Section 30. Renewable Energy

• Include all systems that generate energy including heat.
• Report the value of energy sold by the operation in Section 29.
• Multiple energy systems can be reported.
Section 31. Ag. Activity on Reservations, Pueblos, & Service Areas

The purpose of this section is to identify agricultural activity on reservations.

*One does not need to be a Native American in order to have Ag Activity on a Reservation, Pueblo or Service Area.
Section 31.

- Acres in Section 31 should be less than or equal to totals reported in Sections 1 and 2
- Report total acres used for crop and livestock production in Item 3
- Include AUM in Item 4.
Thank You!
Operating & Capital Expenses

John Miyares
Great Lakes Region
Uses of Expenditure Data

- Provides annual weights for NASS’s computation of the Prices Paid Indexes.
- Bureau of Economic Analysis (BEA).
- USDA Office of the Chief Economist.
Expenditures - General

- Landlord expenses asked at the end of the section
- Contractor expenses are not asked on this form any longer, but are still calculated behind the scenes
- Include expenses related to this operation
- Watch Include/Exclude Instructions
- Best Estimates are Acceptable

**SECTION 32 OPERATING & CAPITAL EXPENDITURES**

In 2022, how much was spent for each item by the PRODUCER(S) and PARTNER(S): (Include only expenses related to this operation. Exclude expenses NOT related to this farm/ranch: expenses of performing custom work FOR others, if this is a separate business; and expenses on land rented to others.)

**OPERATING EXPENSES in 2022**

1. seeds, sets, plants, seed cleaning and treatments, transplants, trees and nursery stock? (Include technology or other fees, seed treatments, and seed cleaning cost. Exclude items purchased for resale without additional growth.)

   Mark “X” if None
   
   Dollars
   
   $0.00

2. nutrients, fertilizer, lime, and soil conditioners? (Include cost of custom application and organic materials. Exclude potting mixes, vermiculite, and sterilized soil.)

   Mark “X” if None
   
   Dollars
   
   $0.00

3. agricultural chemicals and biocontrols for crops, livestock, poultry, and general farm use? (Include biological pest controls and custom application costs.)

   Mark “X” if None
   
   Dollars
   
   $0.00
Operating Expenses

- Feed
- Chemicals
- Tools
- Farm Services
- Insurance
- Livestock Purchases
- Rent
- Irrigation
- Seed
- Taxes
- Fertilizer
- Fuel
- Labor
Seed/Fertilizer/Chemicals: Items 1 – 3

- Want amount paid by operation in this year regardless of when the input was used.
- May not be entirely used.

**SECTION 32 OPERATING & CAPITAL EXPENDITURES**

In 2022, how much was spent for each item by the PRODUCER(S) and PARTNER(S): (Include only expenses related to this operation. Exclude expenses NOT related to this farm/ranch; expenses of performing custom work FOR others, if this is a separate business; and expenses on land rented to others.)

OPERATING EXPENSES in 2022

1. seeds, sets, plants, seed cleaning and treatments, transplants, trees and nursery stock? (Include technology or other fees, seed treatments, and seed cleaning cost. Exclude items purchased for resale without additional growth.) .................................................. 0600

<table>
<thead>
<tr>
<th>Mark “X” if None</th>
<th>Dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$00.00</td>
</tr>
</tbody>
</table>

2. nutrients, fertilizer, lime, and soil conditioners? (Include cost of custom application and organic materials. Exclude potting mixes, vermiculite, and sterilized soil.) .................................................. 0606

   |                  | $00.00  |

3. agricultural chemicals and biocontrols for crops, livestock, poultry, and general farm use? (Include biological pest controls and custom application costs.) .................................................. 0612

   |                  | $00.00  |
Livestock: Items 4-8

- Check Sections 15-22 for Inventory
- Include Commission, Yardage, Insurance, and Fees

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
<th>Code</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>4a</td>
<td>Breeding stock for beef cattle, dairy cattle, hogs and sheep</td>
<td>0621</td>
<td>$0.00</td>
</tr>
<tr>
<td>4b</td>
<td>Other cattle, calves, hogs and pigs</td>
<td>0624</td>
<td>$0.00</td>
</tr>
<tr>
<td>4c</td>
<td>Chickens and turkeys</td>
<td>0627</td>
<td>$0.00</td>
</tr>
<tr>
<td>4d</td>
<td>Other livestock and poultry (include other sheep, lambs, bees, brood fish, fingerlings, eggs for hatching, goats, etc.)</td>
<td>0630</td>
<td>$0.00</td>
</tr>
<tr>
<td>5</td>
<td>Leasing of livestock (include bees, bulls, dairy cattle, etc.)</td>
<td>0633</td>
<td>$0.00</td>
</tr>
<tr>
<td>6</td>
<td>Purchased feed for livestock and poultry (include grain, hay, silage, mixed feeds, concentrates, etc.)</td>
<td>0636</td>
<td>$0.00</td>
</tr>
<tr>
<td>7</td>
<td>Bedding and litter for livestock</td>
<td>0639</td>
<td>$0.00</td>
</tr>
<tr>
<td>8</td>
<td>Medical supplies, veterinary and custom services for livestock</td>
<td>0642</td>
<td>$0.00</td>
</tr>
</tbody>
</table>
Fuel Breakout – Item 9

- IRS Schedule F will help a bit
- Only Include Farm Share
- Item 9a (item code 663) should be the sum of the fuels below

<table>
<thead>
<tr>
<th>9. purchases for the farm business of –</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. all fuels, oils and lubricants? (total of 9a(i) through 9a(vi) must equal Item 9a)</td>
<td>$0.00</td>
</tr>
<tr>
<td>(i) diesel fuel? (Include biodiesel)</td>
<td>$0.00</td>
</tr>
<tr>
<td>(ii) gasoline and gasohol? (Include ethanol blends.)</td>
<td>$0.00</td>
</tr>
<tr>
<td>(iii) natural gas?</td>
<td>$0.00</td>
</tr>
<tr>
<td>(iv) LP gas (propane, butane)?</td>
<td>$0.00</td>
</tr>
<tr>
<td>(v) oils and lubricants? (Include grease, hydraulic fluids, motor oils, transmission fluids, etc.)</td>
<td>$0.00</td>
</tr>
<tr>
<td>(vi) all other fuel? (Include coal, fuel oil, kerosene, wood, etc.)</td>
<td>$0.00</td>
</tr>
</tbody>
</table>
### Supplies, Repairs & Maintenance

- Items 13 – 15: Supplies, Repairs, Maintenance of Farm Buildings
- Item 16: Repairs to Operator’s Dwelling *(ONLY IF IT IS OWNED BY THE OPERATION)*

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>13</td>
<td>farm supplies, marketing containers, hand tools and farm shop power equipment?</td>
<td>$0.00</td>
</tr>
<tr>
<td>14</td>
<td>repairs, parts and accessories for motor vehicles, machinery and farm equipment?</td>
<td>$0.00</td>
</tr>
<tr>
<td>15</td>
<td>maintenance and repair for the upkeep of all farm buildings, houses other than the producer’s, land improvements, and all other farm/ranch improvements?</td>
<td>$0.00</td>
</tr>
<tr>
<td>16</td>
<td>maintenance and repair of the producer’s house if it was owned by the operation?</td>
<td>$0.00</td>
</tr>
</tbody>
</table>
### Wages and Labor Expenses

The following table applies to items 24 and 25

<table>
<thead>
<tr>
<th>Include</th>
<th>Exclude</th>
</tr>
</thead>
<tbody>
<tr>
<td>* Cash wages</td>
<td>* Draws by individual producers and partners</td>
</tr>
<tr>
<td>* Incentives and bonuses</td>
<td>* Wages paid for custom labor or contract work</td>
</tr>
<tr>
<td>* Payments to corporate officers and family members, including yourself and other producers if they received a wage</td>
<td>* Payments to pensions or retirement plans</td>
</tr>
<tr>
<td></td>
<td>* Social Security on owner/producer</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>None</th>
<th>Dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>CASH WAGES paid to hired farm and ranch labor?</td>
<td>$0.00</td>
</tr>
<tr>
<td>Of the (Item 24) dollars, how much salary or wage was paid to —</td>
<td></td>
</tr>
<tr>
<td>total 25a + 25b + 25c + 25d + 25e must equal Item 24</td>
<td></td>
</tr>
<tr>
<td>a. you <em>(the principal producer)</em>?</td>
<td>$0.00</td>
</tr>
<tr>
<td>b. your <em>(the principal producer’s) spouse</em>? <em>(Even if your spouse is a producer, include his/her wages here.)</em></td>
<td>$0.00</td>
</tr>
<tr>
<td>c. other members of your <em>(the producer’s) household</em>? <em>(Even if your other household members are producers, include their wages here.)</em></td>
<td>$0.00</td>
</tr>
<tr>
<td>d. other producers <em>(outside the producer’s household)</em>? <em>(Those persons responsible for the day-to-day management decisions for this operation.)</em></td>
<td>$0.00</td>
</tr>
<tr>
<td>e. all other paid farm and ranch labor?</td>
<td>$0.00</td>
</tr>
<tr>
<td>payroll taxes for hired labor? *(Include any amounts the farm paid for farm workers that are part of your <em>(the producer’s) household.)</em></td>
<td>$0.00</td>
</tr>
<tr>
<td>benefits for hired labor? <em>(Include employer’s share of health insurance, pension or retirement plans, Worker’s Compensation, etc.)</em></td>
<td>$0.00</td>
</tr>
</tbody>
</table>

TOTAL
Marketing Charges

• Section 32, Item 34
  • Almost all operations that sell commodities have marketing expenses.
  • If operator reports no marketing charges, probe to find out if anything was subtracted out of the total price before the farmer received the check.
  • Get total quantity and unit sold if operator doesn't know the total marketing charges.
Operating Expenses not located in Section 32

- Gross rent components:
  - Cash Rent → Section 3, Question 5
  - Share rent → Section 27, Questions 2 & 3
  - Grazing fees → Section 3, Question 6
- Livestock contract production fees: Sections 24 & 25
  - “TOTAL FEES RECEIVED/PAID TO CONTRACTEES in Reference Year”
  - Section 24, Item 1, Column 5
  - Section 25, Item 2, last two columns
Operating vs Capital Expenses
Capital Improvements

- Focus on expenses which add value to the farm assets and businesses
Vehicles, Machinery, and Equipment

• Important to distinguish assets used by the farm or ranch versus other businesses or the household.

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
<th>TOTAL NET COST</th>
<th>Percent for farm/ranch use</th>
<th>Dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>38</td>
<td>Cars – (Include new and used.)</td>
<td>0817</td>
<td>□</td>
<td>(%)</td>
</tr>
<tr>
<td>39</td>
<td>Trucks – (Include new and used trucks, pickups, sport utility vehicles, vans, campers and buses.)</td>
<td>0819</td>
<td>□</td>
<td>(%)</td>
</tr>
<tr>
<td>40</td>
<td>ATVs, Side by Sides, UTVs, etc.</td>
<td>0814</td>
<td>□</td>
<td>(%)</td>
</tr>
<tr>
<td>41</td>
<td>Tractors – (Include new and used.)</td>
<td>0820</td>
<td>□</td>
<td>(%)</td>
</tr>
<tr>
<td>42</td>
<td>Self-propelled equipment – (Include implements and self-propelled equipment for livestock, dairy, or poultry production. Exclude tractors.)</td>
<td>0821</td>
<td>□</td>
<td>(%)</td>
</tr>
<tr>
<td>43</td>
<td>Other farm machinery, non-self-propelled farm equipment, pumps, and capital equipment for crop or livestock production. (Include farm share only.)</td>
<td>0822</td>
<td>□</td>
<td>(%)</td>
</tr>
<tr>
<td>44</td>
<td>Office equipment, furniture, and computers that were placed on a depreciation schedule.</td>
<td>0823</td>
<td>□</td>
<td>(%)</td>
</tr>
<tr>
<td>45</td>
<td>Farmland and other farm real estate for expanding this operation</td>
<td>0802</td>
<td>□</td>
<td>Acres</td>
</tr>
</tbody>
</table>
Operating or Capital Expense?

• Overhaul of tractor transmission, Cost: $25,000:
  • If listed on depreciation schedule, then it is a capital expense (Item 46: All other capital expenditures). Please leave a note in the box.
  • If not listed on depreciation schedule (expensed), then it is recorded in repair and maintenance (Item 14). Do not list this expense in both places.

It really depends on how the operation records the information for tax purposes.
Catch-All Questions

- All Other Capital Expenses – Question 46
- All Other Production Expenses – Question 47

46. All other capital expenditures. (*Include all other capital expenditures that were placed on a depreciation schedule.*) Specify Other Capital Expenditures & Amounts: $0

47. What other expenses did this operation have in 2022 that have not been recorded? (*Include potting soil.*) Specify Other Expenses & Amounts: $0
Landlord Expenses

• Skip if there is no rental agreement.
• If exact amounts unknown, write notes if landlord paid expenses.
• All landlords should have property tax expenses.
Data Relationships – Crop Operations

- Seed
- Fertilizer
- Chemicals
- Fuel
- Labor
- Rent

Crops
Data Relationships – Livestock Operations

- Feed
- Livestock Purchases
- Bedding & Litter
- Vet Expenses
- Repairs
- Custom Services
Data Relationships – Other Operations

Nursery & Greenhouse

- Labor
- Seed
- Fertilizer
- Chemicals
- Fuels
- Utilities

United States Department of Agriculture
National Agricultural Statistics Service
Expect Particular Expenses By Farm Type

Data Relationships – All Farms

- Taxes
- Fuel
- Farm Supplies
- Utilities
- Vehicles
- Insurance
- Interest
- Labor

All Farms
Data Relationships – EXAMPLES

- **Debt Reported in Section 34?** Should have Interest expenses in item 19.
- **Paid Labor Hours Reported in Section 36?** Cash Wages in items 24 & 25.
  - *Be mindful of “Draws”* – Not a cash wage; code as unpaid labor hours.
- **Land Owned in Section 1?** Real estate taxes in Item 20.
- **Land Rented in Section 1?** Landlord real estate taxes in Item 51.
- **Dairy Operation?** Milk Hauling Expenses in Item 29a.
- **Vehicles Owned/Leased?** Registration/Licensing Fees in Item 22.
Encourage Use of Farm Records

### Profit or Loss From Farming

**Part II**

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
<th>Page Numbers</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>Car and truck expenses (see instructions). Also attach Form 4562</td>
<td>23</td>
</tr>
<tr>
<td>11</td>
<td>Chemicals</td>
<td>3</td>
</tr>
<tr>
<td>12</td>
<td>Conservation expenses (see instructions)</td>
<td>29b</td>
</tr>
<tr>
<td>13</td>
<td>Custom hire (machine work)</td>
<td>29b</td>
</tr>
<tr>
<td>14</td>
<td>Depreciation and section 179 expense (see instructions)</td>
<td>23</td>
</tr>
<tr>
<td>15</td>
<td>Employee benefit programs other than on line 23</td>
<td>27</td>
</tr>
<tr>
<td>16</td>
<td>Feed</td>
<td>6</td>
</tr>
<tr>
<td>17</td>
<td>Fertilizers and lime</td>
<td>2</td>
</tr>
<tr>
<td>18</td>
<td>Freight and trucking</td>
<td>29a</td>
</tr>
<tr>
<td>19</td>
<td>Gasoline, fuel, and oil</td>
<td>9</td>
</tr>
<tr>
<td>20</td>
<td>Insurance (other than health)</td>
<td>18</td>
</tr>
<tr>
<td>21</td>
<td>Interest (see instructions):</td>
<td></td>
</tr>
<tr>
<td>a</td>
<td>Mortgage (paid to banks, etc.)</td>
<td>19a</td>
</tr>
<tr>
<td>b</td>
<td>Other</td>
<td>19b</td>
</tr>
<tr>
<td>22</td>
<td>Labor hired (less employment credits)</td>
<td>24, 28, 30</td>
</tr>
<tr>
<td>23</td>
<td>Pension and profit-sharing plans</td>
<td>23, 27</td>
</tr>
<tr>
<td>24</td>
<td>Rent or lease (see instructions):</td>
<td></td>
</tr>
<tr>
<td>a</td>
<td>Vehicles, machinery, equipment</td>
<td>24a</td>
</tr>
<tr>
<td>b</td>
<td>Other (land, animals, etc.)</td>
<td>24b</td>
</tr>
<tr>
<td>25</td>
<td>Repairs and maintenance</td>
<td>14 – 16</td>
</tr>
<tr>
<td>26</td>
<td>Seeds and plants</td>
<td>1</td>
</tr>
<tr>
<td>27</td>
<td>Storage and warehousing</td>
<td>34</td>
</tr>
<tr>
<td>28</td>
<td>Supplies</td>
<td>13</td>
</tr>
<tr>
<td>29</td>
<td>Taxes</td>
<td>20, 26</td>
</tr>
<tr>
<td>30</td>
<td>Utilities</td>
<td>10 – 12</td>
</tr>
<tr>
<td>31</td>
<td>Veterinary, breeding, and medicine</td>
<td>8</td>
</tr>
<tr>
<td>32</td>
<td>Other expenses (specify):</td>
<td></td>
</tr>
<tr>
<td>a</td>
<td>Bedding and Litter for Livestock</td>
<td>7</td>
</tr>
<tr>
<td>b</td>
<td>Vehicle Registration and Licensing</td>
<td>22</td>
</tr>
<tr>
<td>c</td>
<td>Farm Management Services</td>
<td>32</td>
</tr>
<tr>
<td>d</td>
<td>Other General Expenses</td>
<td>33</td>
</tr>
<tr>
<td>e</td>
<td>All Other Operating Expenses</td>
<td>47</td>
</tr>
<tr>
<td>f</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## Repairs & Maintenance

<table>
<thead>
<tr>
<th>Item</th>
<th>Code</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pension and profit-sharing plans</td>
<td>23</td>
<td>27</td>
</tr>
<tr>
<td>Rent or lease (see instructions):</td>
<td></td>
<td></td>
</tr>
<tr>
<td>a Vehicles, machinery, equipment</td>
<td>24a</td>
<td>21</td>
</tr>
<tr>
<td>b Other (land, animals, etc.)</td>
<td>24b</td>
<td></td>
</tr>
<tr>
<td>Repairs and maintenance</td>
<td>25</td>
<td>14 – 16</td>
</tr>
<tr>
<td>Seeds and plants</td>
<td>26</td>
<td>1</td>
</tr>
<tr>
<td>Storage and warehousing</td>
<td>27</td>
<td>34</td>
</tr>
</tbody>
</table>

**Instructions:**

14. repairs, parts and accessories for motor vehicles, machinery and farm equipment?

15. maintenance and repair for the upkeep of all farm buildings, houses other than the producer's, land improvements, and all other farm/ranch improvements?

16. maintenance and repair of the producer's house if it was owned by the operation?
All farms and ranches have expenses.

Difference between Operating and Capital Expenses.

Try not to get bogged down in details:
  - Do your best to find a ‘home’ for the item and record it there.

Ask yourself if the questionnaire make sense?

Leave comments when in doubt and for unusual situations.

Do not double count, record only once.

Encourage the use of farm records.
ARMS 3 vs Census of Ag

- Estimates published in the *Farm Production Expenditures* report from data reported in Section 32.
- Expense information is necessary to make the ARMS a “usable” report, BUT...
- An incomplete ARMS report may have enough information to turn into a complete Census of Agriculture report.
- Collect as much information as the respondent will provide.
- Voluntary completion of ARMS fulfills mandatory Census reporting obligations.
- Check with your supervisor or regional office regarding the handling of incomplete ARMS reports.
Operating & Capital Expenses

Thanks for Watching!
Sections 33 & 34
Farm Assets & Debt
Sections 33 & 34
Farm Assets & Debt

Spencer Langford
Delta Region
Importance of Assets and Debt Sections

• Shows farms solvency and liquidity
• Provides insight to where a farm’s wealth resides
• One indicator of the farm economy’s overall health
U.S. farm sector solvency ratios, 1970–2022F

Note: F = Forecast.
Note: F = forecast. Real values are adjusted for inflation using the U.S. Bureau of Economic Analysis Gross Domestic Product Price Index (BEA API series code: A191RG) rebased to 2022 by USDA, Economic Research Service.
Data as of December 1, 2022.
Farm Assets

• Duplication is a common issue on this question
• House is either reported here (on-farm asset) or Sec. 38 (Off-Farm)
### Farm Assets

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>b.</td>
<td>All other dwellings?</td>
<td>$0.00</td>
</tr>
<tr>
<td>c.</td>
<td>All other farm buildings and structures? <em>(Include barns and other livestock facilities, cribs, grain bins, greenhouses, silos, storage sheds, fences, corrals, etc.)</em></td>
<td>$0.00</td>
</tr>
<tr>
<td>d.</td>
<td>Orchard trees and vines, nursery trees, and trees grown for woody crops?</td>
<td>$0.00</td>
</tr>
<tr>
<td>e.</td>
<td>Oil, gas, and mineral rights</td>
<td>$0.00</td>
</tr>
<tr>
<td>f.</td>
<td>Land? <em>(Include land rented to others. Exclude houses, buildings, orchard trees and vines, and trees grown for woody crops.)</em></td>
<td>$0.00</td>
</tr>
</tbody>
</table>

- Other dwellings may belong to other operators or farmhands
- Remind operators to separate orchard crops from the land they are on
- Item F includes land **rented to others, even if not operated by respondent**
• Values dependent on farm type and size
• If equipment is expected but not reported, check for expenses on leased equipment.
Farm Assets

- Less common than some other assets
- If reported, check for Farm Credit System loans
Farm Assets

<table>
<thead>
<tr>
<th>Item Description</th>
<th>Beginning of Year</th>
<th>End of Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Crops owned and stored</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>b. Breeding livestock owned and located</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
<tr>
<td>c. Non-breeding livestock owned and located</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
</tbody>
</table>

- Check section 25/26 for crop duplication
- It is unlikely for BOY value to equal EOY value
Nearly every farm should have some kind of production inputs.
These will relate with the expenses section.
Farm Assets

- Bank accounts used solely for the farm
- Any other liquid assets not reported
Farm Debt

- Item 2 is for loans repaid during the reference year, commonly referred to as “operating loans”.
- Loans repaid but not in their entirety during 2022 belong in Item 3
Record their 5 largest loans first.
- Leave notes on unusual circumstances
- E.g. 0% interest loans
- Double check that the decimal on the interest rate is correctly placed
### Farm Debt

<table>
<thead>
<tr>
<th>Question</th>
<th>Answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>If you had farm loans in addition to the five recorded above, what is the total amount of debt from these loans owed on December 31, 2022? (Include farm/ranch loans and debt on the producer’s house if it is owned by the operation. Exclude any loans exclusively for non-farm purposes that are secured by assets of the farm/ranch).</td>
<td></td>
</tr>
</tbody>
</table>
Reminders

• A farm’s assets and debt play an important role in understanding their financial well-being
• Check for duplication among assets
• Be able to explain liquid assets to respondents
Thank you and Good Luck
Section 35-36: Personal Characteristics and Farm Management

Lisa Prickett
Southern Plains Region
Section 35-36: Personal Characteristics and Farm Management

The home stretch.........
Goals of this section:

• To gather information on age, sex, education, ethnicity, race, major occupation, and other characteristics of the individuals involved in agriculture.
Personal Characteristics

• Collect information for up to four people who are involved in decisions for this operation.

• For operations with more than four operators, identify the four most senior operators.
Personal Characteristics

Question 4 asks which person is the “Principal Producer”.

- ERS produces estimates of farm household income from the principal operator’s household.
Personal Characteristics

5. Did the principal producer have a spouse at any point in 2022?

- Yes - Continue
- No - Go to SECTION 36

6. Was this spouse listed in the columns above (Question 2)?

- Yes
- No - Go to item 7

6a. Enter the number of the column (1, 2, 3, or 4) that contains the principal producer’s spouse and then proceed to question 11.

- If you enter the spouse into a column, you do not need to do Questions 7 -10
Section 36
Farm Labor and Management

Why?

• Value of labor is an important element in the cost of agricultural production.
• How does on-farm labor compare to off-farm labor financially?
• What kind of labor do different farms depend on?
• Why do farm operators work off the farm and where do they work?
## Section 36
### Farm Labor and Management

#### 1. What was the number of UNPAID farm or ranch workers, including family members and office workers, who worked on this farm or ranch? 4536

<table>
<thead>
<tr>
<th>Mark &quot;X&quot; if None</th>
<th>Number of Workers</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### 2. What was the number of HIRED farm or ranch workers, including paid family members and office workers, who
a. Worked less than 150 days on this operation in 2022? Exclude contract labor 4534

<p>| | |</p>
<table>
<thead>
<tr>
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<tbody>
<tr>
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</tr>
</tbody>
</table>

b. Worked 150 days or more on this operation in 2022? Exclude contract labor 4535

<p>| | |</p>
<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### 3. What was the number of foreign and domestic MIGRANT workers on this operation in 2022? A migrant worker is a farm worker whose employment required travel that prevented the migrant worker from returning to his/her permanent place of residence the same day. Include hired and contract workers 4537

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
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</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Time spent working on the farm

- The respondent should be able to approximate the average number of **hours per week** in each quarter because the quarters roughly correspond to the four seasons.
Time spent working outside the farm

- The next few questions ask about off-farm work for the principal producer, spouse, or any other member of the household.
Section 35: Personal Characteristics and Farm Management

Median farm household income and median U.S. household income, 1991–2021

- Median farm operator household income
- Median U.S. household income

Dollars (2021)

United States Department of Agriculture
National Agricultural Statistics Service
Section 35: Personal Characteristics and Farm Management

Farm household sources of off-farm income, 2021

- Average off-farm income of all farm households: $104,460
  - Wage and salary income, operators: 29%
  - Wage and salary income, spouses and others: 28%
  - Transfer income: 25%
  - Interest and dividends: 5%
  - Nonfarm business income: 8%
  - Other nonfarm income: 5%
Section 35-36: Personal Characteristics and Farm Management
Section 37: Type of Organization

William Keptner
Pacific Region
Why Section 37?

• The downfall of missing data in the late 70s and 80s also gave an early look at how farms were changing.
• The traditional “one farm, one farmer, and one household” concept was inadequate for describing the modern farm sector.
Section 37

• Changing farm structure affects the distribution of benefits from farm programs, and the specific elements of farm program design can affect farm structure.

• The legal organization of a farm determines how its income is taxed. ERS is called on to examine changes to the tax code and potential impact on farm businesses.

• Defense/Context: agriculture opponents and “corporate farms”
The Family Farm Question

• This question determines whether a farm is classified as a family farm

SECTION 37

1. In 2022, was more than 50 percent of this operation owned by one of the producers of this operation, their household, or extended family?

Select “yes” if more than 50% of the assets of this operation are owned by any of the producers, members of his/her household, and/or other persons related to him/her by blood, marriage, or adoption, including relatives not residing in your household. Consider only farm or ranch assets owned – not rented or leased – by this operation, and exclude the assets held by non-family landlords and contractors.

1249 1 □ Yes 3 □ No
Family Farm Question – Considerations

• Family farm: the majority of the business is owned by a producer (aka operator) and individuals related to the producer by blood, marriage, or adoption, including relatives who do not live in the producer household.

• Family farms account for 98% of farms.

• Example of Non-Family owned: Some very large dairy farms are owned by a single family that owns multiple farms and relies on hired managers to operate the farms. These would not be classified as family farms unless the hired managers were also part of the family that owns the farms.
Quick Test

• If Bill owns 49 percent of the farm and his cousin owns 51 percent is it a family operation?

• What if Bill owns 50 percent and his partner—an old friend from high school—owns the other 50 percent?
Ownership

• **Question 2: The number of owners**
  – Based on ASSETS owned by the farm business
  – These cannot be landlords, contractors or lenders

• **Question 2a: percent of ownership held by principal producer’s household**
  – Used to convert farm assets and debt measures to household values
    – Household assets, debt, and net worth
Legal Organizational Structure

3. Was this operation organized as a Limited Liability Company (LLC) under State law?

   1. Yes
   3. No

4. In 2022, what was this operation's legal status for tax purposes (select only one)?

   1. Family or individual operation (Exclude partnerships and corporations.)
   2. Legal partnership operation (Include family partnerships.)
      a. Is this partnership registered under State law?  
         1. Yes
         3. No
   b. How many partners are there in this operation?  
      1. C-Corporation
      2. S-Corporation
      3. Other (Include estates, trusts, cooperatives, grazing associations, etc.)

6. Is this operation a C-Corporation or an LLC that chose to file as a C-Corporation in 2022?

   1. Yes - Continue
   3. No - Go to Item 7

   a. How much did the principal producer and his/her household receive in corporate dividends from this farming operation in 2022? (If your operation is an LLC that elected to file for tax purposes as a C-Corporation, consider this as income here.) [Skip Item 7 and proceed to Section 38].
Common Errors

**SECTION 37 **

**TYPE OF ORGANIZATION**

1. In 2022, was more than 50 percent of this operation owned by one of the producers of this operation, their household, or extended family?

Select “yes” if more than 50% of the assets of this operation are owned by any of the producers, members of his/her household, and/or other persons related to him/her by blood, marriage, or adoption, including relatives not residing in your household. Consider only farm or ranch assets owned – not rented or leased – by this operation, and exclude the assets held by non-family landlords and contractors.

<table>
<thead>
<tr>
<th>Number</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>1249</td>
<td>1</td>
<td>3</td>
</tr>
</tbody>
</table>

2. In 2022, how many people owned this operation? *(Exclude landlords, contractors, and lending institutions holding farm debt. Include the principal producer if he/she has an ownership interest.)*

<table>
<thead>
<tr>
<th>Number</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>1246</td>
<td>100 %</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Number</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>100 %</td>
</tr>
</tbody>
</table>
Common Errors

5. In 2022, did any households, other than the principal producer’s household, share in the net farm income of this business? (Sharing can occur by receiving a share of profits/losses or, if incorporated, receiving corporate dividends.)
   1225
   1 □ Yes - Continue
   3 ☒ No - Go to item 6

   a. How many other households shared in the net income of the farm business? ............ 0976

6. Is this operation a C-Corporation or an LLC that chose to file as a C-Corporation in 2022?
   1226
   1 □ Yes - Continue
   3 ☒ No - Go to item 7

   a. How much did the principal producer and his/her household receive in corporate dividends from this farming operation in 2022? (If your operation is an LLC that elected to file for tax purposes as a C-Corporation, consider this as income here.) [Skip item 7 and proceed to Section 38.]. ............ 0976
   Dollars
   $ 0.00

7. What percent of net income (whether profit or loss) were the principal producer and his/her household entitled to receive from this farming operation in 2022? (If the operation is an LLC that elected to report income for tax purposes as a pass-through, consider this as income here.) ............ 0974
   Percent
   50 %
Thank You!
Section 38- Farm Producer Household Income, Assets, & Debt

Amber Elliot-Whisnant
Eastern Mountain Region
Why does USDA collect household information?

• To support robust research agenda that informs policy and programs relating to farmers and farm households
  • Are farm households well-off relative to the general population?
  • How volatile is the household income of farmers?
  • Do government programs make a difference?
Why does USDA collect household information?

• To get the complete picture
  • Cannot understand the decisions and economic well-being without knowing what other assets, debt, or income they have

• To meet Congressional and executive mandates:
  • Secretary requires household income be reported concurrent with farm income (USDA Release No. 0383.93, May 1993).
  • Family Farm Report (USC, Title 7, Chap 55, Sec 2266)
Off-Farm Income

Off-farm income is common.

51.6% of farming households reported off-farm work in 2020.

The mean off-farm income of All Family Farms was $96,688 in 2020, with a mean earned income of $63,530 from off-farm sources.
Sources of Off-Farm Income

• Wages
  • Operator
  • Household Members
• Nonfarm Businesses
• Transfers
• Other Income

Note: Other nonfarm income includes gifts, payment for nonbusiness services, or miscellaneous income such as gambling winnings, financial payments, rebates, etc.
How is the ARMS 3 data used?

Dairies: Households with dairy farms work the most on-farm, and not very much off-farm

Beef cattle: Households work more off-farm

Dotted line shows the linear relationship between on-farm and off-farm average weekly hours worked by specialization.

Household Income, Assets & Debt

- Whose household?
  - The “Principal Producer”
  - Identified on page 17, Q3
- Do not duplicate with on-farm books

Table:

<table>
<thead>
<tr>
<th>Dollar Range</th>
<th>Value Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0</td>
<td>01</td>
</tr>
<tr>
<td>$1,000 - 1,999</td>
<td>14</td>
</tr>
<tr>
<td>$2,000 - 2,999</td>
<td>14</td>
</tr>
<tr>
<td>$3,000 - 3,999</td>
<td>14</td>
</tr>
<tr>
<td>$4,000 - 4,999</td>
<td>14</td>
</tr>
<tr>
<td>$5,000 - 5,999</td>
<td>14</td>
</tr>
<tr>
<td>$6,000 - 6,999</td>
<td>14</td>
</tr>
</tbody>
</table>

1. Use the value codes from the box above to answer the questions in Section 38. (Exclude farm income reported earlier.) Which value code represents the total income received by the principal producer, spouse, and household in 2022 from:

- all off-farm wages, salaries, and tips before taxes and withholdings? □ 01
- □ 14
- □ 14

Use the code in the boxes. Notice, $0 is coded 1, 01, or by checking the none box.
Section 38 Topics Covered

• Income
• Spending
• Assets
• Debt
Previous Year (2021) Income and Expenses

- Question 6-8:
  - Value of sales
  - Net operating income
  - Off farm income
  - Does not need to be exact—Use Value Codes
  - Gives a metric for year-over-year comparisons
Some Things to Watch out For

• Spending, in item 2
  a. food
  c. utilities and household supplies
  e. health and medical expenses
  j. all other family living expenses

• Do not double count and report expenses already reported in Section 32- Operating Expenses
  You can’t report your personal expenses on your taxes for your business. People have personal expenses too.
Some Things to Watch out For

- BE CAREFUL - is the house part of the farm or not?
- Don’t want to duplicate the information if it was reported in the Farm Asset Section

OFF-FARM DEBT – (Please see VALUE CODES on page 33.)
4. Which value code on page 33 represents the total value of each of the following categories of off-farm debt (debt not associated with this operation) owed by the producer and members of the producer’s household on December 31, 2022. (Include off-farm debt secured with farm assets. Exclude any household debt, credit cards, etc. reported in Section 34. Farm Debt.)

- b. mortgages on producer’s dwelling, if not owned by the operation? (include home mortgages, home equity loans, and lines of credit secured by the producer’s dwelling.)
- c. producer’s dwelling, if not owned by the operation? (not reported in Section 33, Item 1a)
- d. real estate and other personal (second) homes?
  (other farms, residential rental, commercial, and other real estate)
Wrapping up Section 38
Sec. 39 - Conclusion

Click Here to return to topics

Kyle Nelson
Conclusion – Item 1

SECTION 39 CONCLUSION

1. Is it possible that the agricultural activity information reported for this operation could also be reported by another operation?

☐ Yes - Provide the other name and address below

Possible Duplicate Name

1081

Address

1082

City

1083

State

1084

Zip

1085
Conclusion – Item 2

2. Do you (the individual named on the label) make any day-to-day decisions for another farm or ranch? It is important that the Census of Agriculture accurately accounts for all of your farm or ranch operations.

1. Yes - Enter the information of the additional farm or ranch below
2. No - Go to item 3

Additional Farm or Ranch

1088

Area Code and Phone Number

1089

Check if cell phone

a. Did you receive a 2022 Census of Agriculture report form for this additional farm or ranch?

1. Yes
2. No

b. Did you include all data from this additional farm or ranch on THIS REPORT? Do not make changes to the data in this report, regardless of your answer.

1. Yes
2. No
Conclusion – Items 3 & 4

- The Farm Production Expenditures release – July 28, 2023 at 3pm EDT
## Conclusion – Administrative Items

The table below outlines the administrative items for response and respondent details:

<table>
<thead>
<tr>
<th>Response</th>
<th>Respondent</th>
<th>Mode</th>
<th>Enum</th>
<th>Eval</th>
<th>Field Office Use</th>
<th>Optional</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-Comp</td>
<td>1-Op / Mgr</td>
<td>1-Mail</td>
<td>9903</td>
<td>9998</td>
<td>0093</td>
<td>0003</td>
</tr>
<tr>
<td>2-R</td>
<td>2-Sp</td>
<td>2-Tel</td>
<td>9900</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3-Inac</td>
<td>3-Acct / Bkpr</td>
<td>3-Face-to-Face</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>4-Partner</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>9-Other</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Office Use for POID: 9989*
ARMS 3 – “The Farm Story”

When the interview is concluded, ask yourself:
“Does the questionnaire make sense?”
“Does it ‘tell the whole story’?”
ARMS 3: Wheat Version

John Miyares
Great Lakes Region
Cost of production surveys are conducted for selected commodities on a rotating basis, generally every 4-8 years.

The last Wheat Cost of Production survey was conducted for 2017.

Wheat version is Orange.
Data Uses

• This year’s wheat production data collected will provide the basis for wheat cost of production for 2022 and over the next several years.

• Users: Government agencies and officials, Academics, Extension staff, Farmers, Agricultural consultants, Agricultural press

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross value of production</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Primary product, grain</td>
<td>282.33</td>
<td>238.41</td>
<td>247.11</td>
<td>253.43</td>
<td>219.36</td>
</tr>
<tr>
<td>Secondary product, silage/straw/grazing</td>
<td>6.49</td>
<td>4.99</td>
<td>5.53</td>
<td>4.84</td>
<td>5.25</td>
</tr>
<tr>
<td>Total, gross value of production</td>
<td>288.82</td>
<td>243.39</td>
<td>252.63</td>
<td>258.28</td>
<td>224.61</td>
</tr>
<tr>
<td>Operating costs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fertilizer¹</td>
<td>50.39</td>
<td>42.95</td>
<td>48.17</td>
<td>44.61</td>
<td>42.52</td>
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<tr>
<td>Chemicals</td>
<td>15.79</td>
<td>15.56</td>
<td>16.60</td>
<td>16.88</td>
<td>16.74</td>
</tr>
<tr>
<td>Custom services</td>
<td>14.33</td>
<td>13.70</td>
<td>13.72</td>
<td>13.63</td>
<td>13.53</td>
</tr>
<tr>
<td>Fuel, lube, and electricity</td>
<td>13.00</td>
<td>9.79</td>
<td>11.44</td>
<td>12.03</td>
<td>10.73</td>
</tr>
<tr>
<td>Repairs</td>
<td>27.51</td>
<td>25.73</td>
<td>25.37</td>
<td>24.69</td>
<td>23.83</td>
</tr>
<tr>
<td>Other variable expenses ²</td>
<td>0.80</td>
<td>0.79</td>
<td>0.75</td>
<td>0.78</td>
<td>0.79</td>
</tr>
<tr>
<td>Interest on operating inputs</td>
<td>0.04</td>
<td>0.24</td>
<td>1.35</td>
<td>1.32</td>
<td>0.64</td>
</tr>
<tr>
<td>Total, operating costs</td>
<td>136.72</td>
<td>123.23</td>
<td>131.91</td>
<td>128.71</td>
<td>122.89</td>
</tr>
<tr>
<td>Allocated overhead</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hired labor</td>
<td>4.43</td>
<td>4.23</td>
<td>4.03</td>
<td>3.85</td>
<td>3.66</td>
</tr>
<tr>
<td>Opportunity cost of unpaid labor</td>
<td>18.90</td>
<td>17.77</td>
<td>17.14</td>
<td>16.27</td>
<td>15.44</td>
</tr>
<tr>
<td>Capital recovery of machinery and equipment</td>
<td>114.15</td>
<td>98.40</td>
<td>97.41</td>
<td>98.55</td>
<td>92.30</td>
</tr>
<tr>
<td>Opportunity cost of land</td>
<td>62.10</td>
<td>60.04</td>
<td>59.73</td>
<td>59.46</td>
<td>57.55</td>
</tr>
<tr>
<td>Taxes and insurance</td>
<td>7.00</td>
<td>6.93</td>
<td>6.66</td>
<td>6.48</td>
<td>6.25</td>
</tr>
<tr>
<td>Total, allocated overhead</td>
<td>216.57</td>
<td>196.82</td>
<td>194.34</td>
<td>193.73</td>
<td>183.87</td>
</tr>
<tr>
<td>Costs listed</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total, costs listed</td>
<td>353.29</td>
<td>320.05</td>
<td>326.25</td>
<td>322.44</td>
<td>306.76</td>
</tr>
<tr>
<td>Net value</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Value of production less total costs listed</td>
<td>-64.47</td>
<td>-76.66</td>
<td>-73.62</td>
<td>-64.16</td>
<td>-82.15</td>
</tr>
<tr>
<td>Value of production less operating costs</td>
<td>152.10</td>
<td>120.16</td>
<td>120.72</td>
<td>129.57</td>
<td>101.72</td>
</tr>
</tbody>
</table>
ERS Publications

Corn, soybeans, and wheat: estimated annual net returns, 2009-19

Dollars per planted acre

-100  -50   0    50    100   150   200   250


Corn  Soybeans  Wheat

www.ers.usda.gov
Search “Charts of Note”  “Subscribe”
ARMS Phases

• Phase 1: May – July 2022
  • Operators screened for target commodity
  • Previously Reported Data (PRD) used to reduce respondent burden.

• Phase 2: September 2022 – January 2023
  • Operators from Phase 1 with wheat were contacted for field level information.

• Phase 3: January – April 2023
  • ARMS 2 operators contacted to collect whole farm information.
Questionnaire Differences

• Vast majority of questions asked on wheat version are same as the CRR version.
• Several items in Section 32 (Operating and Capital Expenses) ask for a breakout of expenses specific to the Wheat Enterprise.
• The wheat version has one additional section not on the CRR version (section 39).
• The conclusion section in the wheat version is Section 40.
Section 32 Expenses

• **Section 32** (Operating and Capital Expenses)
  • Sixteen additional questions breakout expenses to the Wheat Enterprise.
  • seed, fertilizer, chemicals, fuels, electricity, drying, irrigation, repairs and maintenance, insurance, labor, contract labor, payroll taxes and benefits, custom work, and landlord expenses
A word about expenses...

- Winter Wheat is planted in the Fall and harvested in the Spring
- Some input costs for the 2022 winter wheat crop were incurred in 2021
- Some inputs purchased in 2022 will actually be for the 2023 crop.
- Could cause some confusion if wheat is not grown every year.
- This can also affect how beginning and end of year assets are interpreted.
Section 39: Wheat Drying

• Goal: Reduce grain moisture content to meet recommendations for safe, long-term storage.

• Most wheat should be dried to a certain moisture level, which can range between 12 and 13.5 percent, before it is stored.

• Costs of wheat drying can be significant in some years and certain locations due to annual weather conditions.

• Information collected about wheat drying systems are used in engineering relationships to estimate the operating and ownership costs of wheat drying facilities.
Screening & Harvest Month

SECTION 39 WHEAT DRYING

1. Did the operation harvest wheat for grain for the 2022 crop year?
   1895
   1. Yes - Complete this section 3 No - Go to SECTION 40

• Report number month 05=May, 06=June, etc.

2. In what month was the majority of the 2022 wheat crop harvested? .......................... 1826
How much was dried?

• Drying Systems
  • Fuel used for heat source
  • Electricity

3. How much of the 2022 wheat crop was
   a. custom dried? ........................................... 1864
   b. dried by this operation? ............................... 1870
   c. not dried? ........................................... 1876

\[
a + b + c = 100\%
\]
### Custom Drying Expenses

3. How much of the 2022 wheat crop was
   a. custom dried?  

<table>
<thead>
<tr>
<th>Bushels</th>
<th>OR</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>1864</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1865</td>
<td></td>
<td>%</td>
</tr>
</tbody>
</table>

[NOTE: If any of the 2022 wheat crop was custom dried (Item 3a), go to Item 4; else go to Note above Item 5.]

4. How much was spent for custom drying the 2022 wheat crop?

<table>
<thead>
<tr>
<th>Dollars &amp; Cents per Bushel</th>
<th>OR</th>
<th>Total Dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>1829</td>
<td></td>
<td>$ .00</td>
</tr>
</tbody>
</table>
Dried by the Operation

3. How much of the 2022 wheat crop was
   a. custom dried? .................................................. 1864
   b. dried by this operation? ..................................... 1870

<table>
<thead>
<tr>
<th>Bushels</th>
<th>OR</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>1665</td>
<td></td>
<td>%</td>
</tr>
<tr>
<td>1671</td>
<td></td>
<td>%</td>
</tr>
</tbody>
</table>

[NOTE] if any of the 2022 wheat crop was dried by this operation (item 3b), go to item 5; else go to section 40.

5. What fuel type was used to dry the majority of the 2022 wheat crop? 

   1. diesel
   2. gasoline
   3. LP gas
   4. natural gas
   5. electricity
   6. other

<table>
<thead>
<tr>
<th>Code</th>
<th>Percentage Points</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>1859</td>
<td></td>
</tr>
</tbody>
</table>

6. On average, what was the moisture percentage of the 2022 wheat crop at harvest? ... 22.13 %
Drying Labor

• Report labor used to dry 2022 wheat crop
  • Include: time spent loading and unloading crop, filling and emptying dryers, and overseeing the drying
  • Exclude: custom drying labor and contract labor

7. How many hours of each type of labor were used to dry the 2022 wheat crop? (Include hours to unload, fill and empty dryers, and to oversee drying.)
   a. Paid and unpaid operators, partners, and family members, and other unpaid workers? ........ 1896
   b. Full-time hired workers? (Exclude custom and contract labor.) ................................. 1897
   c. Part-time or seasonal hired workers? (Exclude custom and contract labor.) .................. 1898
Facilities and Capacity

8. What type of facility was used to dry the majority of the 2022 wheat crop?
   - 1 bins
   - 2 continuous flow dryer *(outside of bins)*
   - 3 batch dryer *(outside of bins)*

   - Code: 1837
   - Number: 1838
   - Bushels:

   a. Of the (Item 8) type of facility, how many were used to dry the 2022 wheat crop?
   b. What was the TOTAL holding capacity of the type of facilities reported in 8a?

   *(For continuous flow or batch dryers, report the bushels per hour)*
ARMS 3: Wheat Version

Thanks for Watching!