ARMS Phase 3 - Presentations

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Click Here to return to topic list

Introduction

Laci Banks-Walker
Eastern Mountain Region

What is ARMS?

- Agricultural Resource Management Survey
- Project conducted in cooperation with ERS
- Primary source of information for agricultural resource use, costs, and farm finance
- Supports key uses of enterprise, farm, and household data

ARMS: Data Collection Phases

- Phase I/ISS (May – July): Screens list frame operations for in-business status, operating arrangement, and presence of targeted commodities.
- Phase II: (Oct – Dec): Collects data on chemical use, production practices, and variable input costs for targeted commodities.
- Phase III: (January – April): Focuses on farm economics and risk management practices; typically includes the entire ARMS II sample and a general sample.

Expectations

- Read & review mailed packages from RFO
- Study manual
- Work with supervisors
- Participate in trainings
- Practice exercises

Click Here
to return to
topic list

2024 ARMS III Workshop

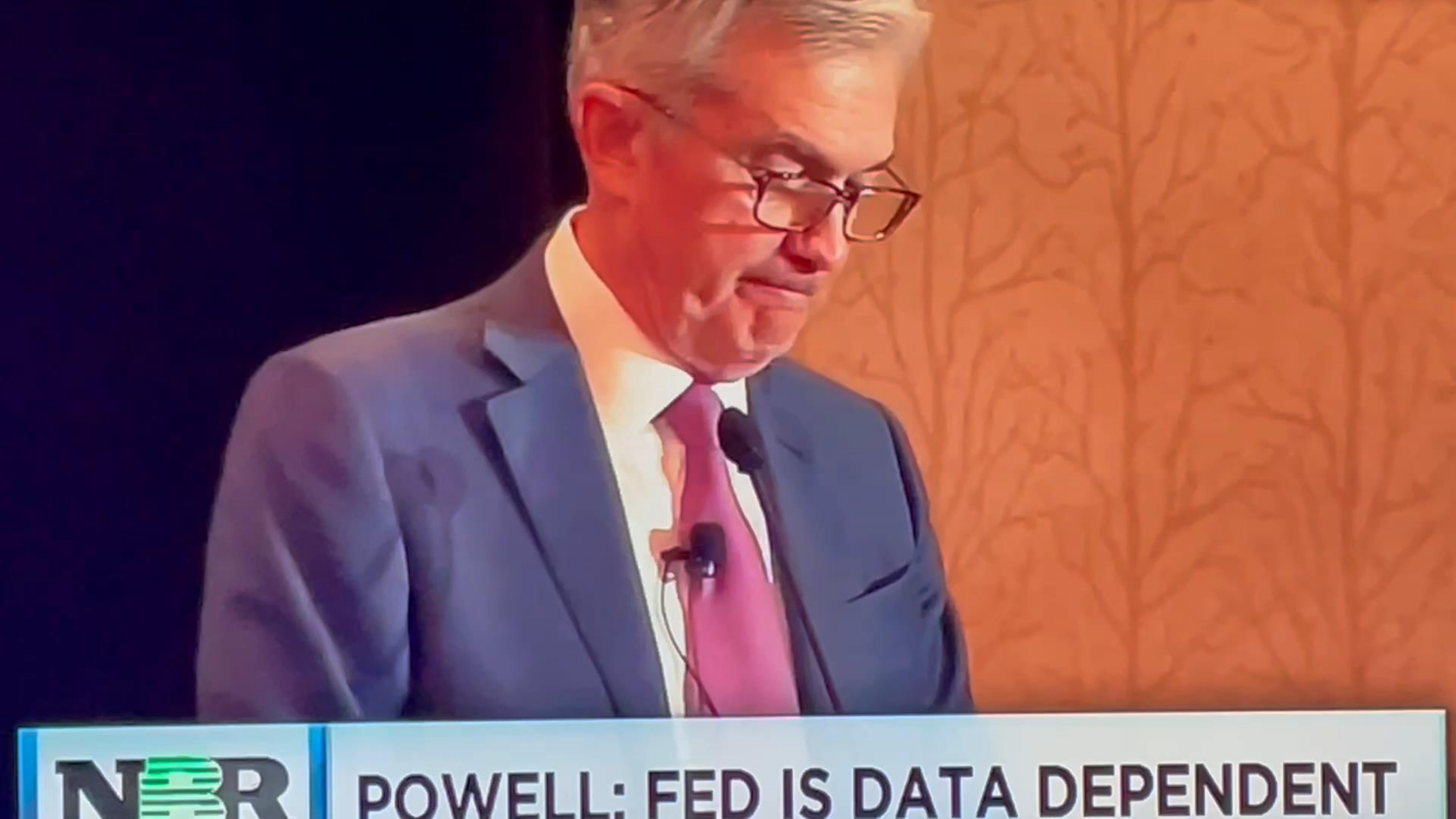
Eric Gerlach
South Dakota State Stat

DEPARTM
ULTURE

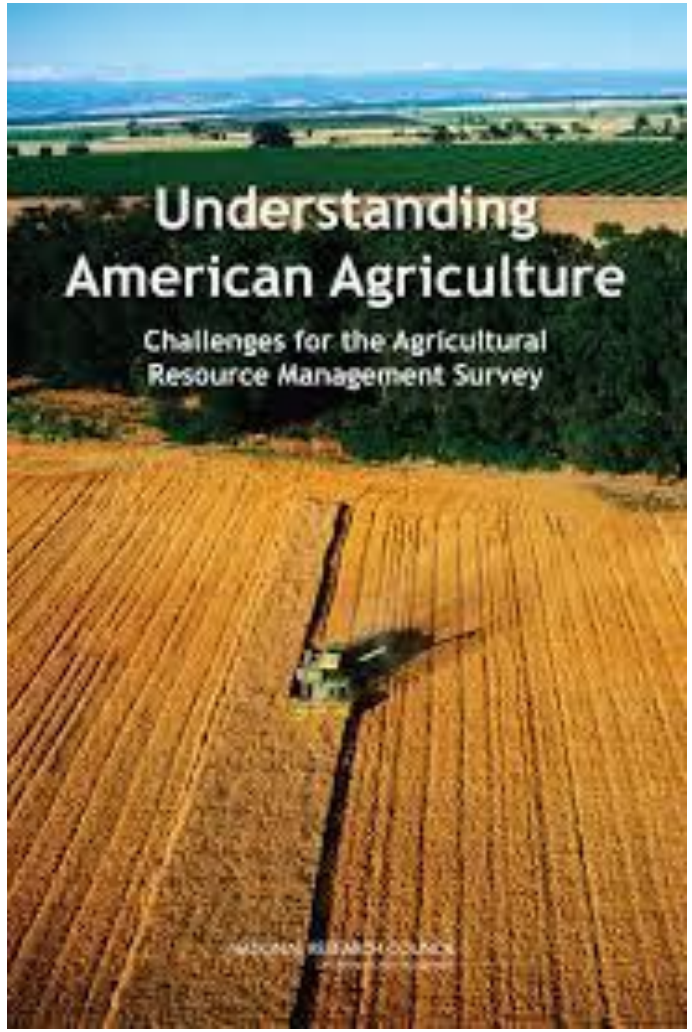
Federal law prohibits tampering with, disabling, or destroying a lavatory smoke detector.

BREAKING
NEWS
POWELL: POLITICAL CONSIDERATIONS
HAVE PLAYED NO ROLE IN OUR POLICY

BOARD OF GOVERNORS


POWELL: FED IS DATA DEPENDENT

Data Drives the Conversation & Decision Making



Chapter 2

PRIORITY USES OF ARMS DATA

The ARMS program represents a significant investment of time, talent, respondent burden, and resources. To justify this investment, the survey must be responsive to a set of core requirements that address legislative, programmatic, and analytical needs. These core requirements build on those of the predecessor surveys, which conveyed into ARMS when it was established in 1996, and have been supplemented by more contemporary and changing requirements.[1]

The task of meeting these core requirements translates into a series of priorities for the ARMS program. The data items needed to meet the core requirements have largely been maintained and protected by making sure these items are included before any other items are added. For the National Agricultural Statistics Service (NASS) and the Economic Research Service (ERS), these priorities affect the content of the questionnaires, which in turn are instrumental to the survey's ability to meet the core requirements.

Mandated Uses

USDA is required by Congress, through both authorizing and appropriation legislation, to produce a sizeable portion of the data items that are included in ARMS. Cost-of-production data are required by several pieces of legislation, and one piece of legislation is very specific. The U.S. Code states that the "Secretary of Agriculture, in cooperation with the land grant colleges, commodity organizations, general farm organizations, and individual farmers, shall conduct a cost of production study of the wheat, feed grain, cotton, and dairy commodities under the various production practices and establish a current national weighted average cost of production. This study shall be updated annually and shall include all typical variable costs, including interest costs, a return on fixed costs, and a return for management" (U.S. Code, Title 7).

Environmental and food safety legislation call for data on chemical use on field crops. The Food, Agriculture, Conservation, and Trade Act of 1990 and the Food Quality Protection Act of 1996 require NASS to collect data on field crop chemical use and publish those data annually (in the Agricul-

- **Staff analysis:** ARMS data are used to respond to informational requests from non-profit groups and government stakeholders such as other USDA agencies, Congress, and the White House.

Topic Area Highlights and Economic Implications

The core research and data program of the Economic Research Service covers the breadth of USDA programs touched by farm legislation: farming, nutrition, conservation, rural development, research, and energy. These webpages provide highlights and summaries of important new programs and provisions, as well as some economic implications of the new farm legislation based on ERS expertise, in the following policy areas.

Crop Commodity Programs (includes provisions from Titles I and XI)
Dairy & Livestock (includes provisions from Titles I and XII)
Conservation (includes provisions from Titles II and XI)
Nutrition (Title IV only)
Rural Development (Title VI only)
Research, Extension, and Related Matters (Title VII only)
Energy (Title IX only)
Crop Insurance (includes provisions from Titles XI and XII)
Specialty Crops (includes provisions from Titles III, IV, VII, and X)
Organic Agriculture (includes provisions from Titles II, VII, X, and XI)
Local and Regional Foods (includes provisions from Titles IV, V, VI, and X)
Beginning Farmers and Ranchers (includes provisions from Titles II, V, VI, VII, XI)
Socially Disadvantaged and Veteran Farmers and Ranchers (includes provisions from Titles II, V, VI, VII, and XII)

United States Department of Agriculture
National Agricultural Statistics Service

SEPTEMBER 7TH, 2023

USDA Forecasts Sharpest Decline in U.S. Farm Income in History

Key Takeaways

- *Highlighting the volatility inherent in farming and farm income, the U.S. Department of Agriculture's (USDA) most recent farm income forecast projects U.S. net farm income, a broad measure of farm profitability to plummet by $42 billion in 2023 to $141 billion, resulting in a 23% income drop compared to the year prior. If realized, the $42B decline in U.S. net farm income will be the largest on record in nominal terms and the third largest of all time when adjusted for inflation.*
- *Given expectations for elevated production expenses alongside weakening crop and livestock prices, farm incomes are likely to be pressured even lower in 2024. The opportunity for Congress to invest in a meaningful and enhanced farm safety net and suite of risk management tools while reauthorizing the farm bill should be a top priority given the headwinds facing the farm economy.*

USDA United States Department of Agriculture
National Agricultural Statistics Service

High expenses bite farmers as prices weaken heading into farm bill

02/08/23 6:40 AM By Philip Brasher

KEYWORDS CORN COTTON DAIRY ECONOMIC RESEARCH SERVICE FARM BILL FARM INCOME FORECAST SOYBEANS USDA WHEAT

USDA's latest farm income forecast could provide some ammunition to farm groups and their allies in Congress who argue that soaring production costs are eating into farm earnings while producers have little chance of seeing payments from commodity programs.

U.S. | THE NUMBERS

Falling Survey-Response Rates Undermine Economic Data

The declines skew government measures of inflation and the job market

In recent months, markets have been laser-focused on every scrap of economic data for evidence on whether inflation is coming down or a recession is approaching. Unfortunately, that data suffers from a growing problem: reduced responses from the people whose activity it seeks to measure.

THE CENTER FOR FOOD INTEGRITY℠

In most consumers' eyes, transparency is no longer optional. In fact, if consumers do not deem an organization to be transparent, they believe the organization does not have a good story to tell or that they must be hiding something.

After years of resisting, Netflix releases viewing statistics for nearly all titles

PUBLISHED TUE, DEC 12 2023•2:54 PM EST | UPDATED TUE, DEC 12 2023•4:17 PM EST

Alex Sherman
@SHERMAN4949

SHARE

KEY POINTS

- Netflix is increasing transparency for almost all the movies and shows on its service.
- Netflix will release “What We Watched” reports every six months.
- Co-CEO Ted Sarandos said Netflix’s protectiveness of its data has led to distrust in the creative community.

Progressive FARMER powered by DTN

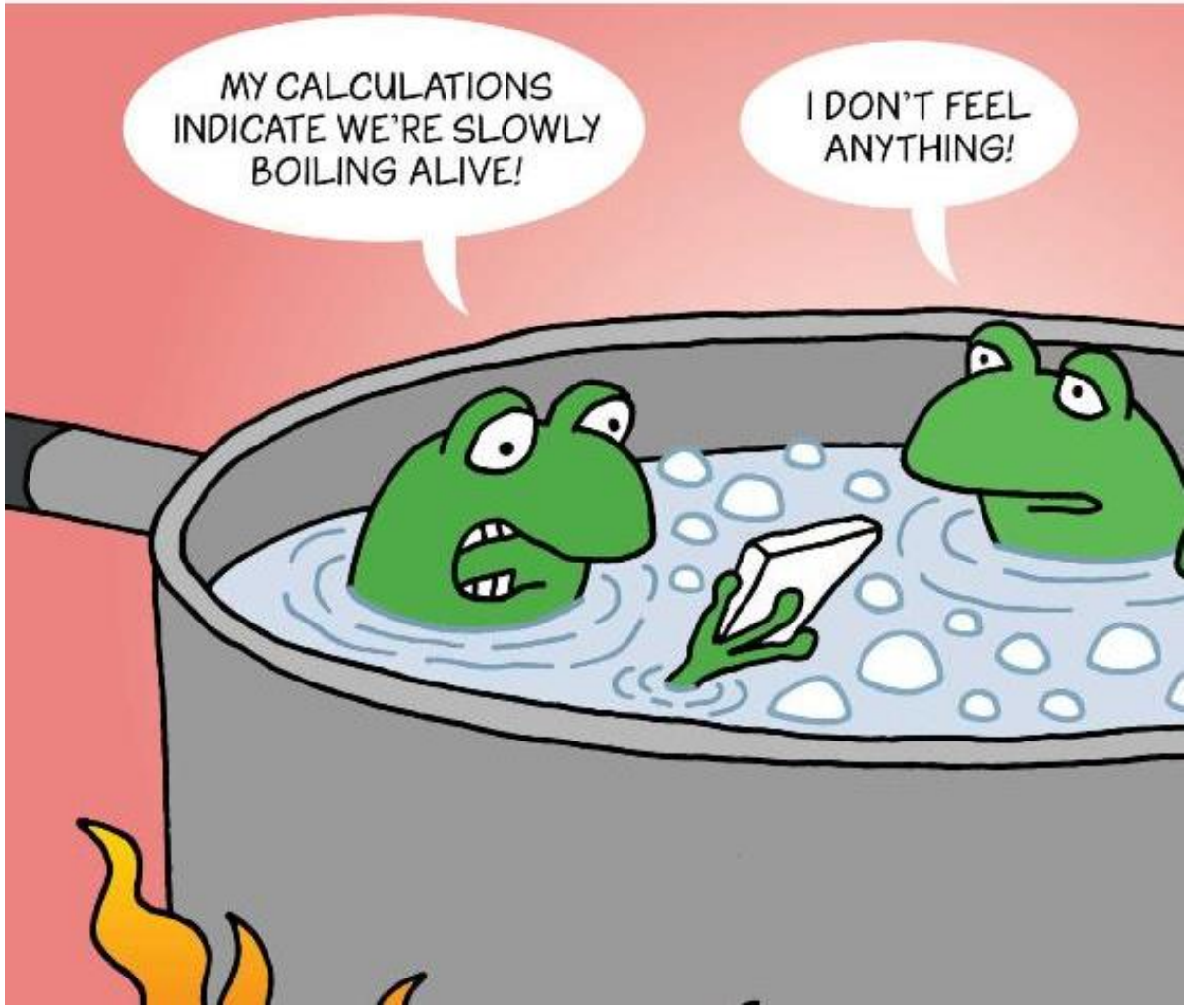
Lost Connections

Bridging the Gap Between Consumers and Food Producers

1/17/2020 | 5:58 AM CST

By Victoria G. Myers , Progressive Farmer Senior Editor

- Roxi Beck, who grew up on her family's dairy farm in Minnesota and today works with The Center for Food Integrity (CFI), a not-for-profit group whose mission is to help today's food system earn consumer trust said where farmers and ranchers fear there is too much danger in being transparent, that space will be filled with other voices happy to tell their version of ag's story. "They will tell your story in a way that you are not going to be pleased with," she added.


MY CALCULATIONS INDICATE WE'RE SLOWLY BOILING ALIVE!
I DON'T FEEL ANYTHING!

Face Page and Screening Supplement

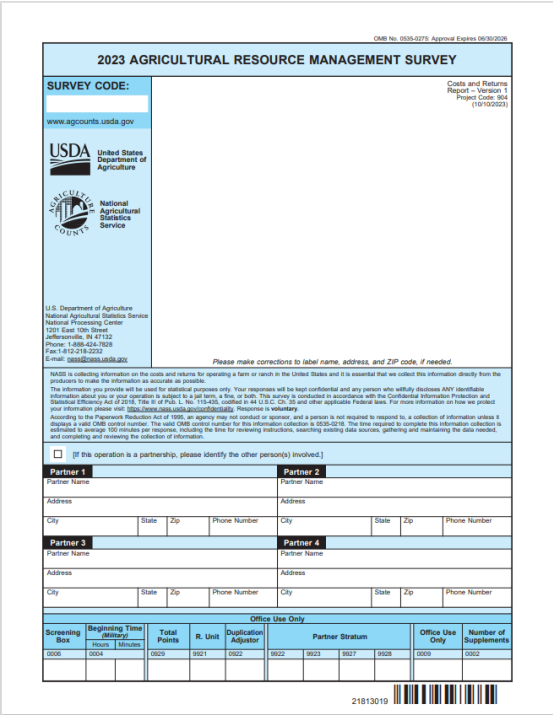
Click Here to return to topic list

Statistician - Mike Laird

Great Lakes Region

Questionnaire Versions

CRR Version



OMB No. 0535-0275 Approval Expires 06/30/2026

2023 AGRICULTURAL RESOURCE MANAGEMENT SURVEY

SURVEY CODE:

Costs and Returns Report – Version 1
Project Code: 904
(10/10/2023)

www.agcounts.usda.gov

USDA United States Department of Agriculture

National Agricultural Statistics Service

U.S. Department of Agriculture
National Agricultural Statistics Service
National Processing Center
1201 East 10th Street
Jeffersonville, IN 47132
Phone: 1-888-424-7828
Fax:1-812-218-2232
E-mail: nass@nass.usda.gov

Please make corrections to label name, address, and ZIP code, if needed.

NASS is collecting information on the costs and returns for operating a farm or ranch in the United States and it is essential that we collect this information directly from the producers to make the information as accurate as possible.

The information you provide will be used for statistical purposes only. Your responses will be kept confidential and any person who willfully discloses ANY identifiable information about you or your operation is subject to a jail term, a fine, or both. This survey is conducted in accordance with the Confidential Information Protection and Statistical Efficiency Act of 2018, Title III of Pub. L. No. 115-435, codified in 44 U.S.C. Ch. 35 and other applicable Federal laws. For more information on how we protect your information please visit: https://www.nass.usda.gov/confidentiality. Response is **voluntary**.

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0535-0218. The time required to complete this information collection is estimated to average 100 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

☐ [If this operation is a partnership, please identify the other person(s) involved.]

Partner 1				Partner 2			
Partner Name				Partner Name			
Address				Address			
City	State	Zip	Phone Number	City	State	Zip	Phone Number
Partner 3				**Partner 4**			
Partner Name				Partner Name			
Address				Address			
City	State	Zip	Phone Number	City	State	Zip	Phone Number

Office Use Only

Screening Box	Beginning Time (Military) Hours	Minutes	Total Points	R. Unit	Duplication Adjustor	Partner Stratum				Office Use Only	Number of Supplements
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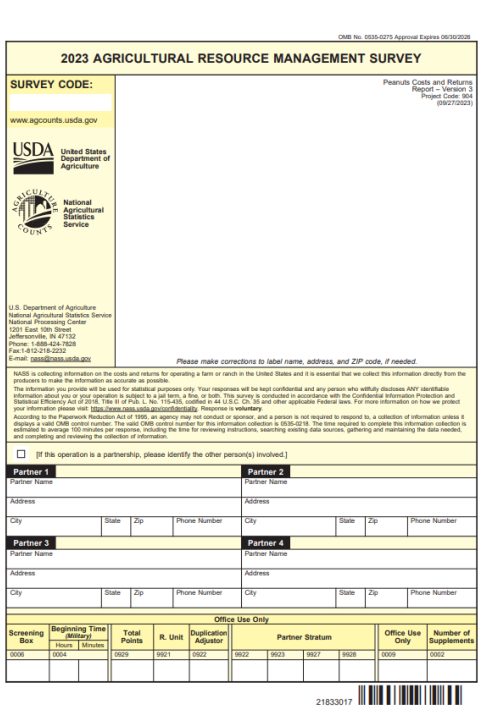
21813019

Peanuts Version



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2023 AGRICULTURAL RESOURCE MANAGEMENT SURVEY

SURVEY CODE:

Peanuts Costs and Returns Report – Version 3
Project Code: 904
(09/27/2023)

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USDA United States Department of Agriculture

National Agricultural Statistics Service

U.S. Department of Agriculture
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National Processing Center
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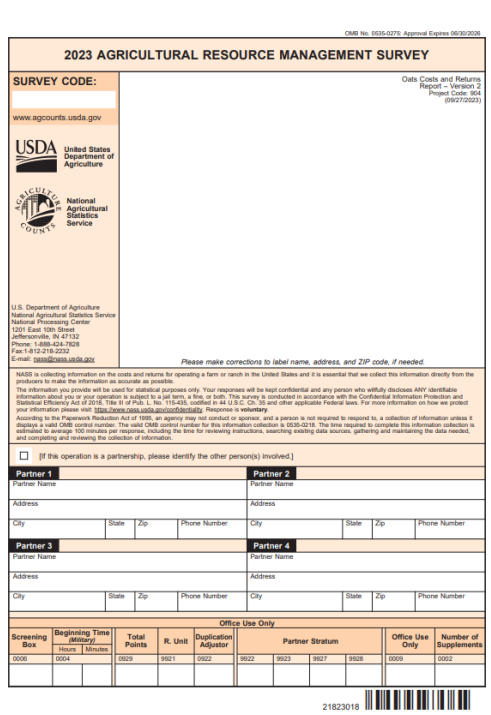
21833017

Oats Version



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Oats Costs and Returns Report – Version 2
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Address				Address			
City	State	Zip	Phone Number	City	State	Zip	Phone Number

Office Use Only

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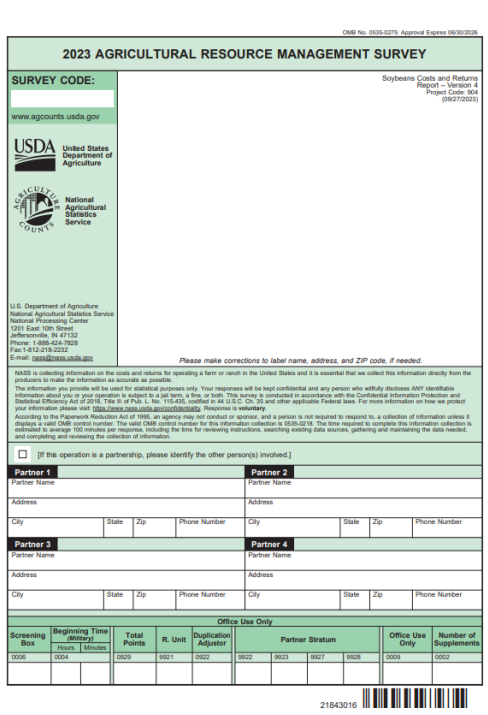
21823018

Soybeans Version



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2023 AGRICULTURAL RESOURCE MANAGEMENT SURVEY

SURVEY CODE:

Soybeans Costs and Returns Report – Version 4
Project Code: 904
(09/27/2023)

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USDA United States Department of Agriculture

National Agricultural Statistics Service

U.S. Department of Agriculture
National Agricultural Statistics Service
National Processing Center
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City	State	Zip	Phone Number	City	State	Zip	Phone Number
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Partner Name				Partner Name			
Address				Address			
City	State	Zip	Phone Number	City	State	Zip	Phone Number

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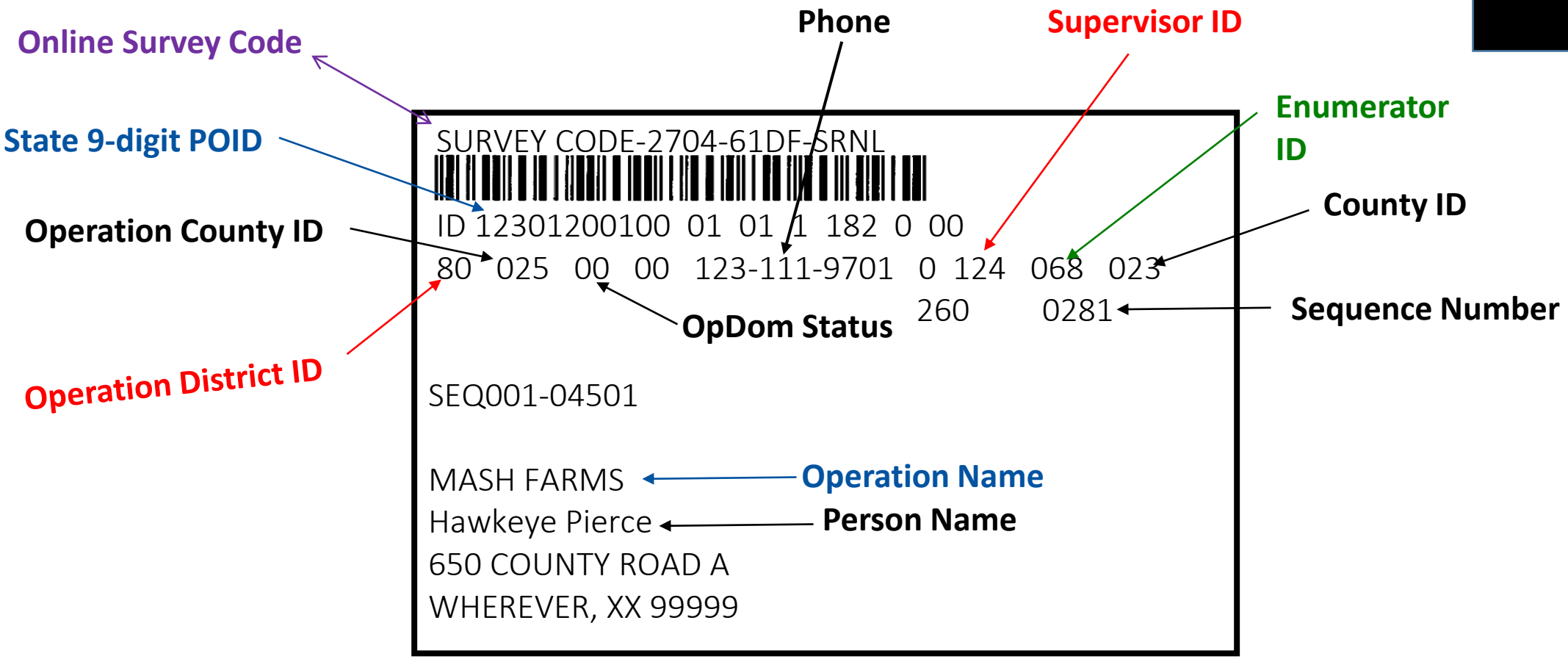
0006	0004		0929	9921	0922	9922	9923	9927	9928	0009	0002

21843016

Screening Process

- ARMS 3 Operators
  - Screened and determined to be in business in referenced survey year (2023 in this case)
  - Operators were contacted between May and July of the referenced survey year by mail and/or phone to complete the ISS / ARMS 1 survey
  - Previously Reported Data (PRD) was used to reduce respondent burden

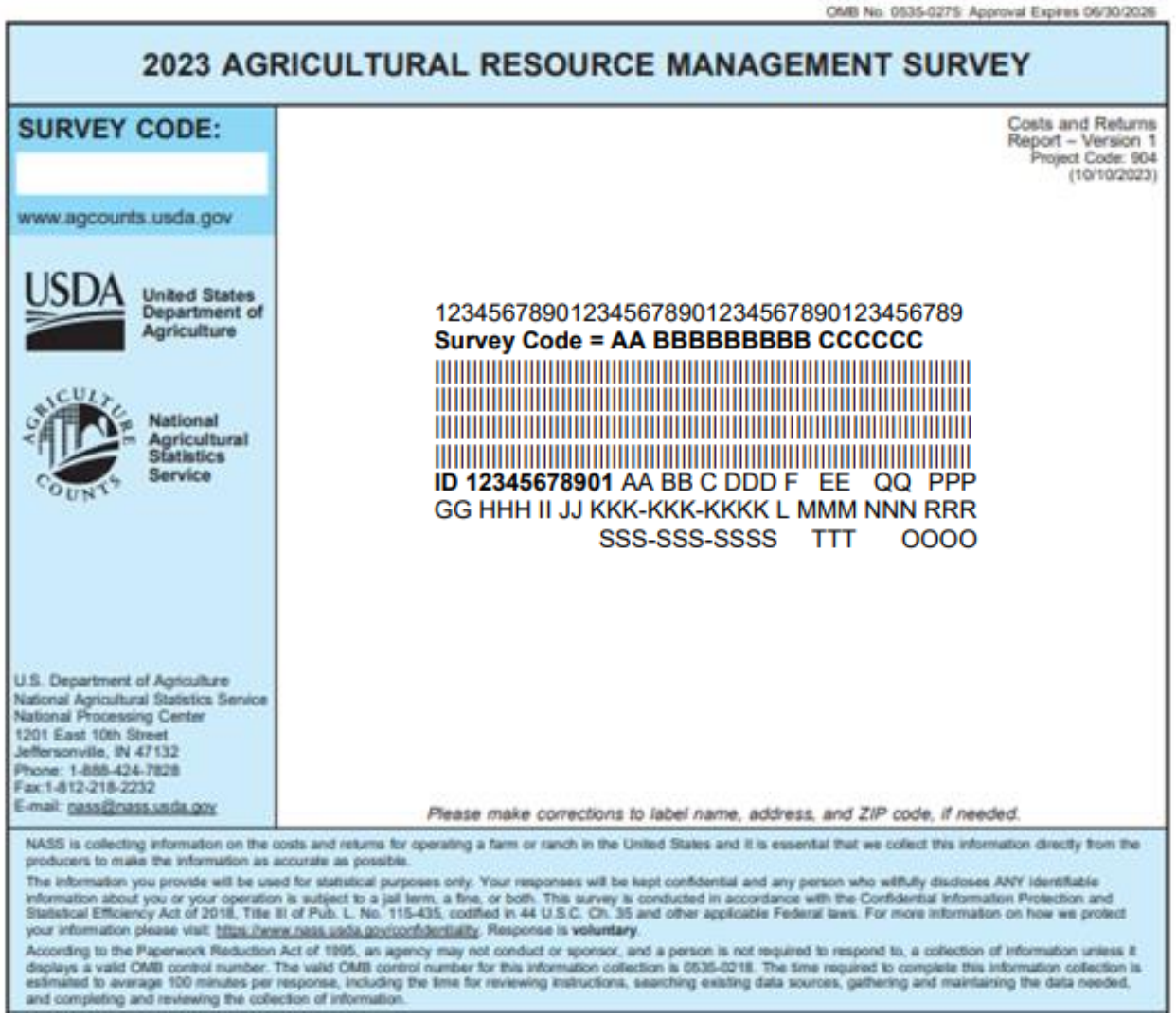
Label


Online Survey Code
Phone
Supervisor ID
State 9-digit POID
Enumerator ID
Operation County ID
County ID
Operation District ID
OpDom Status
Sequence Number
SURVEY CODE-2704-61DF-SRNL
ID 12301200100 01 01 1 182 0 00
80 025 00 00 123-111-9701 0 124 068 023
260 0281
SEQ001-04501
MASH FARMS
Operation Name
Hawkeye Pierce
Person Name
650 COUNTY ROAD A
WHEREVER, XX 99999

Survey Code

- Survey code for operator to complete survey over the internet

- Website: agcounts.usda.gov



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2023 AGRICULTURAL RESOURCE MANAGEMENT SURVEY

SURVEY CODE:

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United States Department of Agriculture

National Agricultural Statistics Service

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E-mail: nass@nass.usda.gov

Costs and Returns Report – Version 1
Project Code: 904
(10/10/2023)

12345678901234567890123456789012345678901
Survey Code = AA BBBBBBBBB CCCCCC

ID 12345678901 AA BB C DDD F EE QQ PPP
GG HHH II JJ KKK-KKK-KKKK L MMM NNN RRR
SSS-SSS-SSSS TTT OOOO

Please make corrections to label name, address, and ZIP code, if needed.

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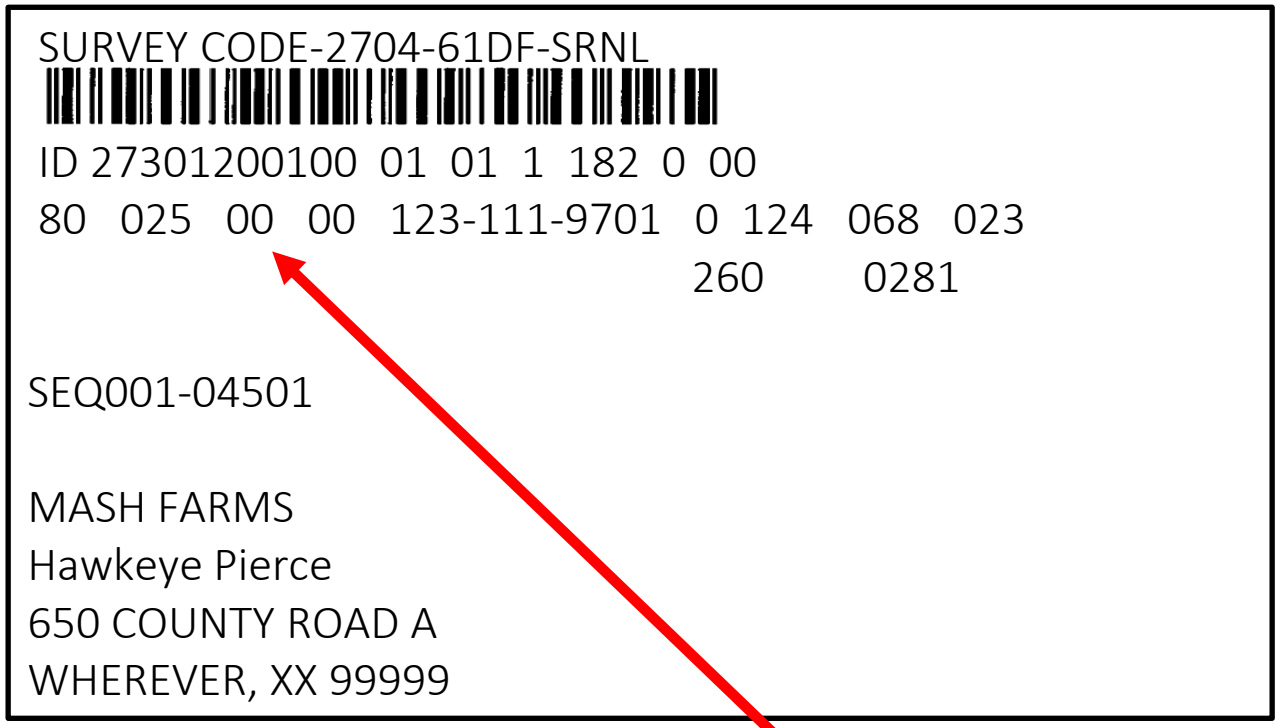
OpDom Status Intro

- 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



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

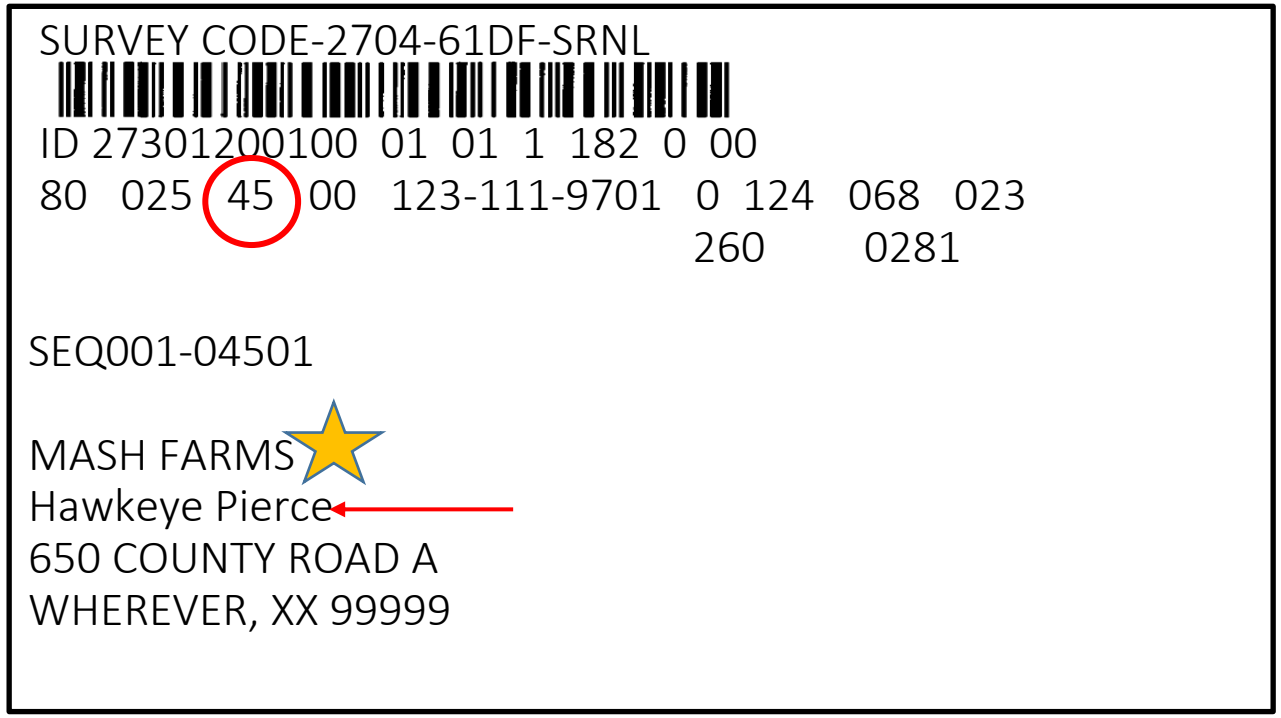
SEQ001-04501

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

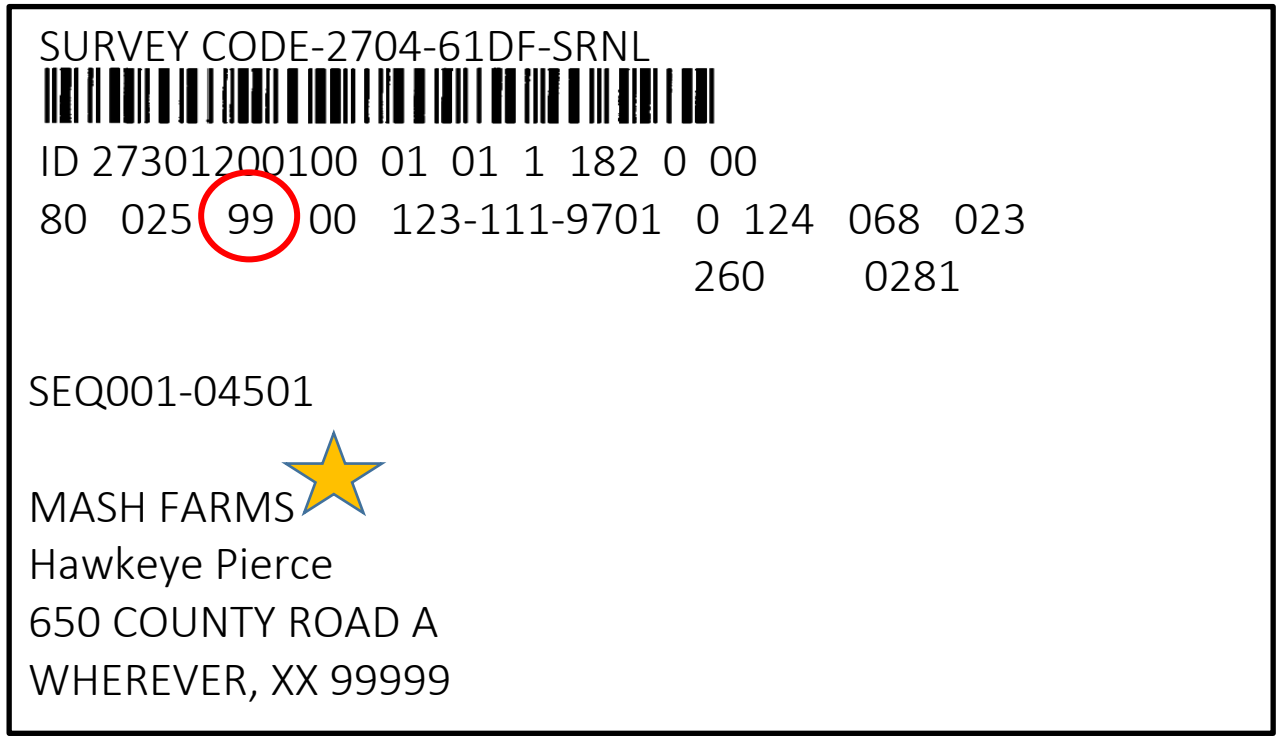
- Multiple operations
  - Person Name is still the Target



- Only collect data for the operation listed

OpDom Status: 99

- Operation is Managed – Operation name is the target



- Op Dom Status=99 indicates MASH Farms is the target

Partners

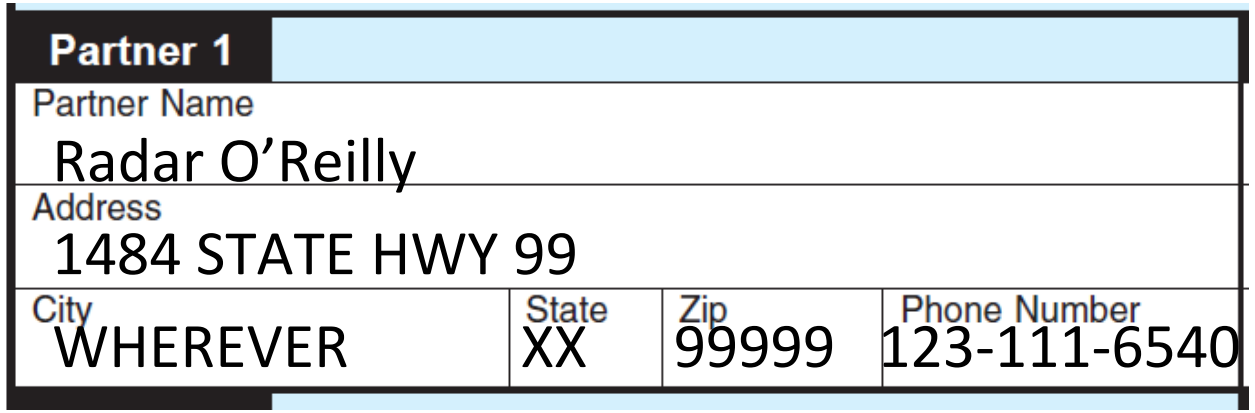
- All known partners pre-printed
- Verify Partner Information
  - Your Regional Office will direct you how they'd like you to make updates, on paper form or in CAPI

Partner 1				Partner 2			
Partner Name: Radar O'Reilly				Partner Name			
Address: 1484 STATE HWY 99				Address			
City: WHEREVER	State: XX	Zip: 99999	Phone Number: 123-111-6540	City	State	Zip	Phone Number
Partner 3				**Partner 4**			
Partner Name				Partner Name			
Address				Address			
City	State	Zip	Phone Number	City	State	Zip	Phone Number

Adding/Deleting Partners

Adding Partner(s)

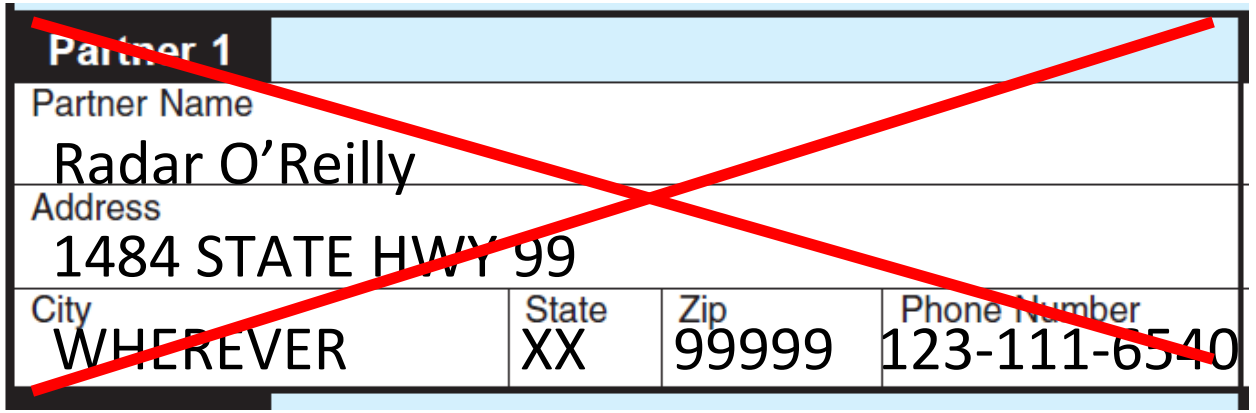
- Write in contact info for new Partner(s)
- Complete ARMS 3 survey



Partner 1			
Partner Name: Radar O'Reilly			
Address: 1484 STATE HWY 99			
City: WHEREVER	State: XX	Zip: 99999	Phone Number: 123-111-6540

Deleting Partner(s)

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



Partner 1			
Partner Name: Radar O'Reilly			
Address: 1484 STATE HWY 99			
City: WHEREVER	State: XX	Zip: 99999	Phone Number: 123-111-6540

Target Partner Switch

- Write SWITCH on Face page with notes
- Complete ARMS 3 survey

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

SWITCH

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

Partner 1			
Partner Name: Radar O'Reilly			
Address: 1484 STATE HWY 99			
City: WHEREVER	State: XX	Zip: 99999	Phone Number: 123-111-6540

Partner Take-Over

- Complete Screening Supplement
- DO NOT COMPLETE ARMS 3 survey

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

OOB

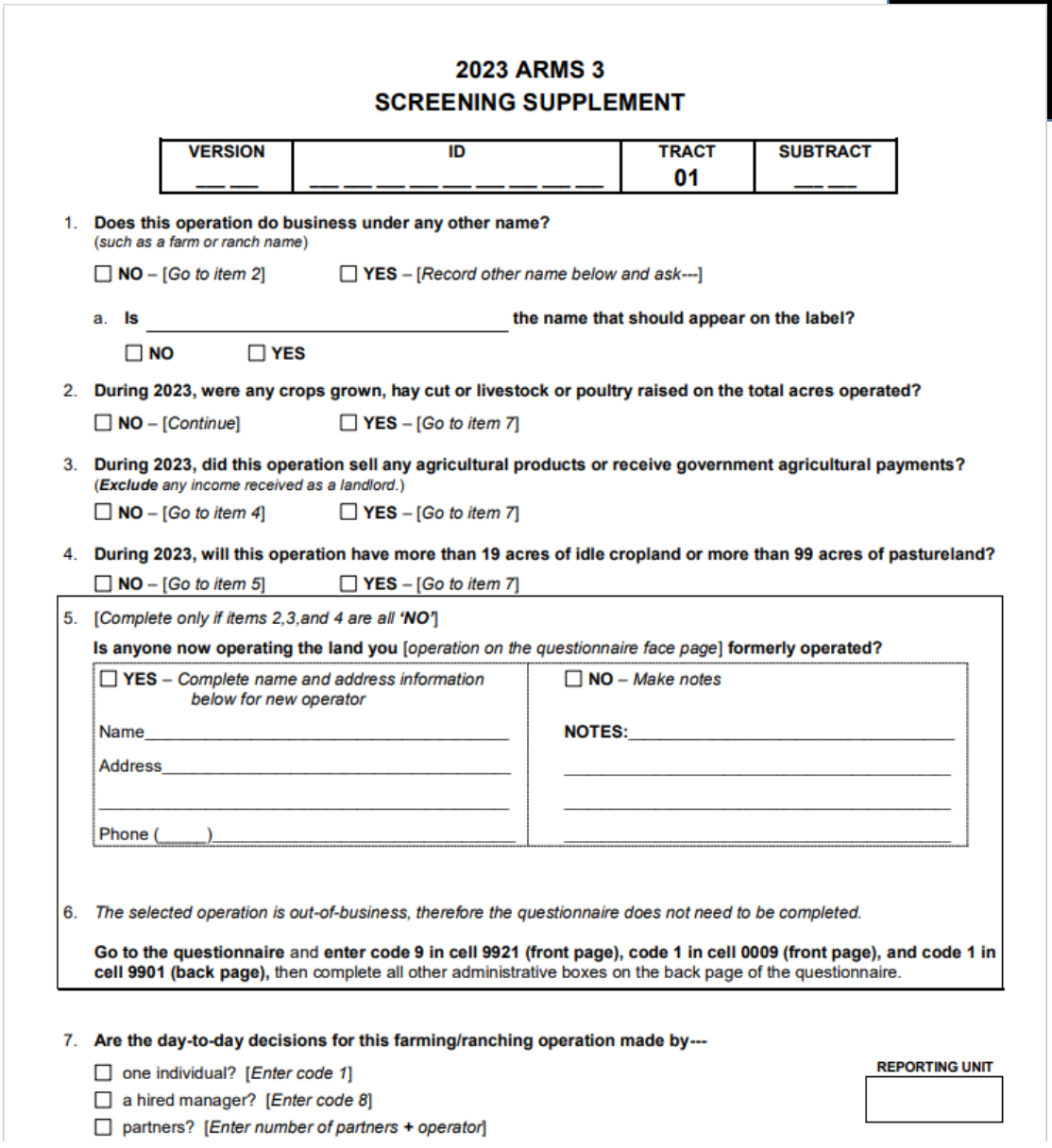
MASH FARMS
Hawkeye Pierce
650 COUNTY ROAD A
WHEREVER, XX 99999

Hawkeye has stepped down completely and is no longer involved.

Partner 1			
Partner Name: Radar O'Reilly			
Address: 1484 STATE HWY 99			
City: WHEREVER	State: XX	Zip: 99999	Phone Number: 123-111-6540

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
    - Do Not complete ARMS 3 Survey



2023 ARMS 3
SCREENING SUPPLEMENT

VERSION	ID	TRACT	SUBTRACT
__ __	__ __ __ __ __ __ __ __ __ __	01	__ __

1. **Does this operation do business under any other name?**
(*such as a farm or ranch name*)
☐ **NO** – [*Go to item 2*] ☐ **YES** – [*Record other name below and ask---*]
a. **Is** _____ **the name that should appear on the label?**
☐ **NO** ☐ **YES**
2. **During 2023, were any crops grown, hay cut or livestock or poultry raised on the total acres operated?**
☐ **NO** – [*Continue*] ☐ **YES** – [*Go to item 7*]
3. **During 2023, did this operation sell any agricultural products or receive government agricultural payments?**
(***Exclude*** *any income received as a landlord.*)
☐ **NO** – [*Go to item 4*] ☐ **YES** – [*Go to item 7*]
4. **During 2023, will this operation have more than 19 acres of idle cropland or more than 99 acres of pastureland?**
☐ **NO** – [*Go to item 5*] ☐ **YES** – [*Go to item 7*]
5. [*Complete only if items 2,3,and 4 are all* ***'NO'***]
Is anyone now operating the land you [*operation on the questionnaire face page*] **formerly operated?**
☐ **YES** – *Complete name and address information below for new operator*
Name_____
Address_____
_____
Phone (____)_____
☐ **NO** – *Make notes*
NOTES:_____
_____
_____
_____
6. *The selected operation is out-of-business, therefore the questionnaire does not need to be completed.*
Go to the questionnaire and **enter code 9 in cell 9921 (front page), code 1 in cell 0009 (front page), and code 1 in cell 9901 (back page),** then complete all other administrative boxes on the back page of the questionnaire.
7. **Are the day-to-day decisions for this farming/ranching operation made by---**
☐ one individual? [*Enter code 1*]
☐ a hired manager? [*Enter code 8*]
☐ partners? [*Enter number of partners + operator*]
REPORTING UNIT

Part of Year Operations

- Examples
  - Floriculture Operation – In business until April of the referenced survey year

  - Commercial Dairy – Went of business the first half of the referenced survey year

obrigado
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mahalo
Köszi
спасибо
Grazie
Thank you
mauruuru
Takk
Gracias
Dziękuję
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danke
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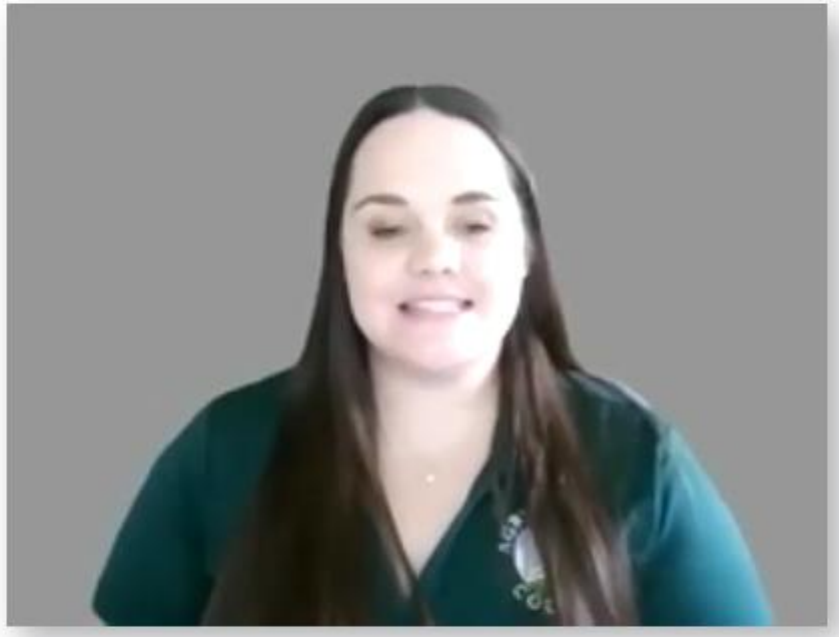
Section A: Land in Farm/Ranch



Gretchen Divincen

Heartland Region

Section A – Acres Operated

SECTION A **LAND IN FARM / RANCH**

For 2023, please report farm/ranch land owned, rented, or used by you, your spouse, or by the partnership, corporation or organization for which you are reporting. *(**Include** all cropland, idle land, Conservation Reserve Program (CRP), pastureland, woodland, wasteland, farmstead, acres used for crop/livestock production facilities, and all other building sites associated with this operation, etc.)*

ACRES OPERATED	None		Number of Acres
1. How many acres of farm/ranch land were owned? 0020	☐	+	
2. How many acres of farm/ranch land were rented or leased from others — *(**Exclude** land used on an animal unit month (AUM) or fee per head basis under a grazing permit.)*			
a. for a fixed cash rent payment? 0021	☐	+	
b. for a flexible rent payment? *(**Include** hybrid rental arrangements where rent paid is based on a fixed cash payment plus some shared production.)* 0022	☐	+	
c. for a share of the crop or livestock production? *(**Exclude** hybrid rental arrangements.)* 0023	☐	+	
d. for free? 0024	☐	+	
3. How many acres of farm/ranch land were rented or leased to others? *(**Include** land rented for cash, for a flexible rent, for a share of crop or livestock production, or rent free.)* . . 0025	☐	–	
			Total Acres
4. Then the TOTAL ACRES in this operation in 2023 were: *(Total Items 1 + 2a + 2b + 2c + 2d - 3.)* 0026		=	
5. How many of the (Item 4) acres were considered **cropland** in 2023? *(**Include** land in government programs, fruit/nut/berry/nursery acres, and land planted to hay, including wild hay. **Exclude** CRP acres planted to trees.)* 0063	☐		

Section A – Land Rented **From** Others

LAND RENTED FROM OTHERS

		None	Dollars
6.	Including rent for land and/or buildings, what was the total **CASH RENT PAID** in 2023 by this operation? *(**Include** rent paid in 2023 for previous years and rent paid in advance. **Exclude** storage bins, to be reported in SECTION I, Item 21. **Exclude** grazing of livestock, to be reported in Item 7 below.)* 0044	☐	$ .00
7.	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 2023.		
	a. In 2023, 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.)* 0045	☐	$ .00
	b. In 2023, 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? 0046	☐	$ .00
8.	Report any crop or livestock **SHARE RENT** payments for land rented from others in 2023.		
	a. What was the estimated total MARKET VALUE of your landlord's share of **crop** production from this operation in 2023? 0184	☐	$ .00
	b. What was the estimated total MARKET VALUE of your landlord's share of **livestock** production sold or removed from this operation in 2023? *(**Exclude** shared livestock production not part of a land rental arrangement.)* 0276	☐	$ .00
9.	What was the estimated market value of the land and buildings on the acres rented or leased FROM OTHERS on December 31, 2023? 0855	☐	$ .00

Section A – Land Rented **To** Other

LAND RENTED TO OTHERS

		None	Dollars
10.	Including rent for land and/or buildings, what was the total **CASH RENT RECEIVED** in 2023 for acres rented TO OTHERS by this operation? *(**Include** rent received in 2023 for previous years, rent received in advance, and government payments received from those acres. **Exclude** grazing of livestock, to be reported in SECTION H, Item 3b.)* 0042	☐	$ .00
11.	For acres **SHARE-RENTED** to others, what was the total value of crop or livestock shares received in 2023 by this operation? *(**Include** rent received in 2023 from previous years and government commodity payments received from those acres.)*. 0043	☐	$ .00
12.	What was the estimated market value of the land and buildings on the acres rented or leased TO OTHERS on December 31, 2023? 0857	☐	$ .00

Section A –
Historic Conservation Payments

HISTORIC CONSERVATION PAYMENTS

13. Has this operation ever received financial assistance from the Environmental Quality Incentives Program (EQIP) or the Conservation Stewardship Program (CSP)? . . . . . 0070 — 1 ☐ Yes 3 ☐ No

14. Has this operation ever received technical assistance from the Natural Resources Conservation Service (NRCS)? . . . . . 0071 — 1 ☐ Yes 3 ☐ No

Section A – Conservation Practices

Column 1- provide **the total # of acres** where the appropriate **conservation management practice** was implemented

Column 2- provide the **number of acres where a conservation (FINANCIAL PAYMENT) was received** for implementing the management practice. Indicate a zero if no payment received (no blanks or dashes)

Section A – Reminders

Section A asks about ***all*** land that an operator is associated with – owned, rented from others, and rented to others

We also want to record all conservation practices across all land operated by the target.

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Section B

Acreage, Production, and Cash Sales

Gretchen Divincen

Statistician - Heartland Region

Section B- Acreage, Production, and Cash Sales

What do we collect?

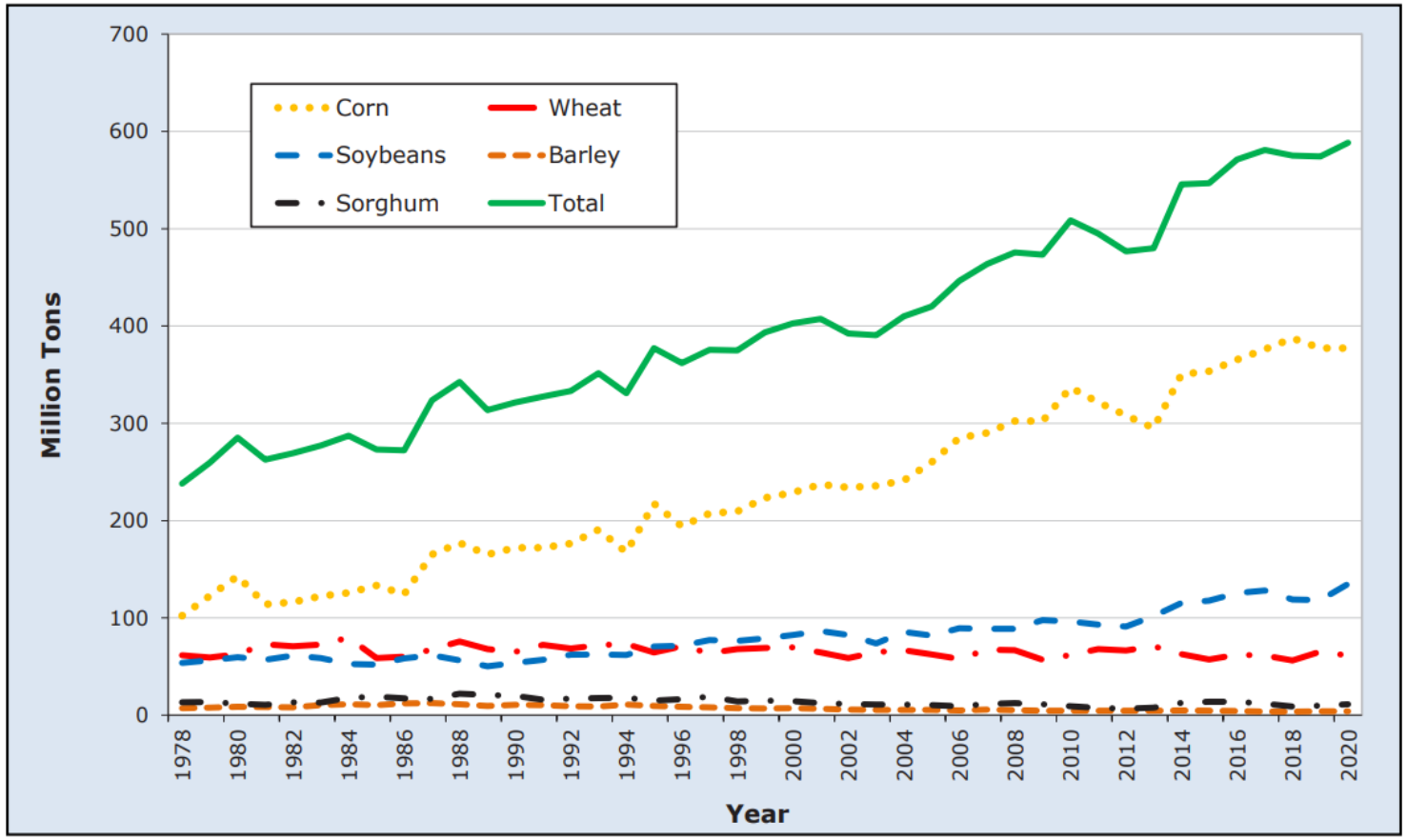
- Harvested Acres
- Total Production
- Production Used on the Operation
- Cash Sales
- Unsold Commodity Inventory
- Precision Agriculture

Section B- Acreage, Production, and Cash Sales

Why do we collect this information?

- Describes vital parts of the farm economy – crop production and cash sales
- Helps identify farm diversity in crop production
- Used by other researchers and agencies
  - Example: Agricultural Marketing Service (AMS) use Section B data to determine how much grain is trucked

Figure 3: U.S. grain shipments by commodity, 1978-2020



Henderson, Richard, Jesse Gastelle, and Peter Caffarelli. Transportation of U.S. Grains: A Modal Share Analysis, August 2023. U.S. Dept. of Agriculture, Agricultural Marketing Service. Web. http://dx.doi.org/10.9752/TS049.08-2023

Section B- Acreage, Production, and Cash Sales

Harvested Acres

- Harvested not planted acres
- Including acres still intended to be harvested
- Exclude acreage for a second or later harvest (for the same use) ex. second pickings of cotton

Total Production

- Including the landlord's share
- Units are important
- If harvest is not complete- ask respondent for an estimated final production

Section B- Acreage, Production, and Cash Sales

Production
Used on this Operation

- Example- the production the operation will use or has used for feed or seed
- Exclude production for human consumption (record market value in *Section I, item 31*)

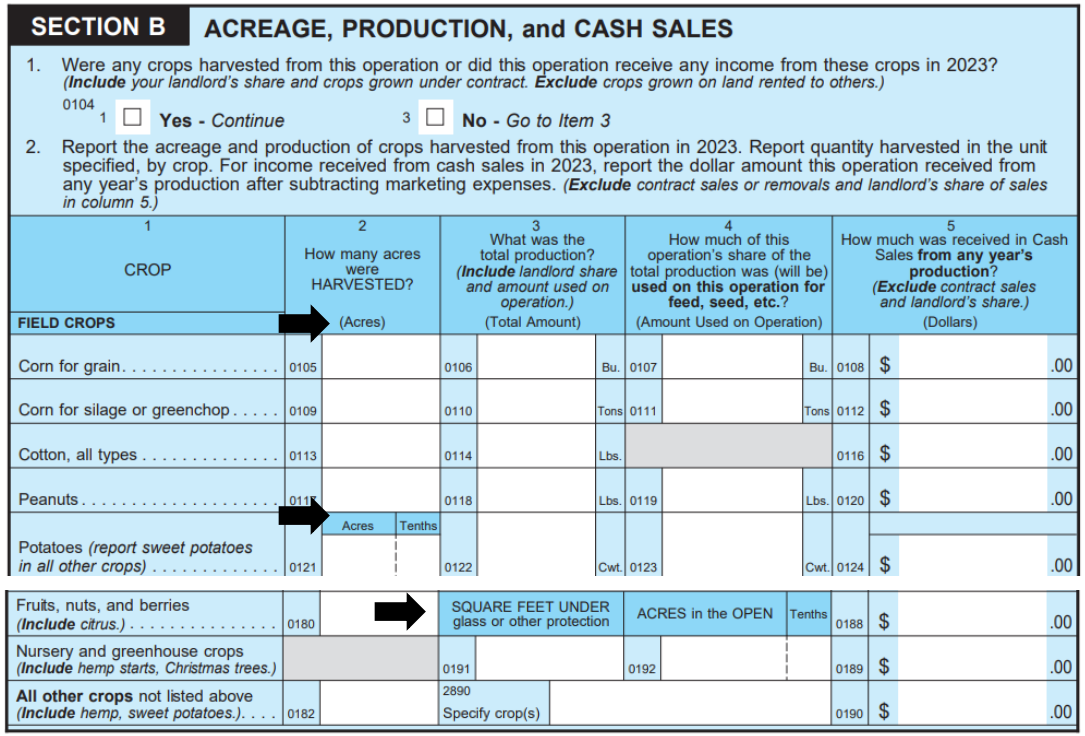
Cash Sales

- From any year's production sold during the reference year
  - Exclude contract sales or removals and landlord's share of sales (landlord sales=Sec A)
- **If the crop** was grown in reference year: all columns should be completed
- **If not,** only dollars recorded in column 5 should be completed

Section B- Acreage, Production, and Cash Sales

Friendly Reminders

- <u>Field Crops Acres</u>:
  - Potatoes & Tobacco: **can record to a tenth of an acre**
  - All other field crops= **record to a whole acre**
- <u>Nursery and Greenhouse</u>:
  - Under protection= square feet
  - Acres in the open= **can record to a tenth of an acre**
- <u>All other crops:</u>
  - Examples: *sweet corn, sweet potatoes, hemp, brown and wild rice, haylage, and maple syrup*



SECTION B **ACREAGE, PRODUCTION, and CASH SALES**

1. Were any crops harvested from this operation or did this operation receive any income from these crops in 2023? (***Include*** *your landlord's share and crops grown under contract.* ***Exclude*** *crops grown on land rented to others.)*

0104 1 ☐ **Yes** - *Continue* 3 ☐ **No** - *Go to Item 3*

2. Report the acreage and production of crops harvested from this operation in 2023. Report quantity harvested in the unit specified, by crop. For income received from cash sales in 2023, report the dollar amount this operation received from any year's production after subtracting marketing expenses. (***Exclude*** *contract sales or removals and landlord's share of sales in column 5.)*

1 CROP	2 How many acres were HARVESTED? (Acres)	3 What was the total production? (***Include*** *landlord share and amount used on operation.)* (Total Amount)	4 How much of this operation's share of the total production was (will be) **used on this operation for feed, seed, etc.**? (Amount Used on Operation)	5 How much was received in Cash Sales **from any year's production**? (***Exclude*** *contract sales and landlord's share.)* (Dollars)
FIELD CROPS				
Corn for grain	0105	0106 Bu.	0107 Bu.	0108 $ .00
Corn for silage or greenchop	0109	0110 Tons	0111 Tons	0112 $ .00
Cotton, all types	0113	0114 Lbs.		0116 $ .00
Peanuts	0117	0118 Lbs.	0119 Lbs.	0120 $ .00
Potatoes *(report sweet potatoes in all other crops)*	0121 Acres Tenths	0122 Cwt.	0123 Cwt.	0124 $ .00
Fruits, nuts, and berries (***Include*** *citrus.)*	0180	SQUARE FEET UNDER glass or other protection	ACRES in the OPEN Tenths	0188 $ .00
Nursery and greenhouse crops (***Include*** *hemp starts, Christmas trees.)*		0191	0192	0189 $ .00
All other crops not listed above (***Include*** *hemp, sweet potatoes.)*	0182	2890 Specify crop(s)		0190 $ .00

Section B- Unsold Commodity Inventory

- ***Did the operation own and store any unsold crops?***

UNSOLD COMMODITY INVENTORY

3. In 2023, did your operation own and store any unsold crops?

5705 1 ☐ **Yes** - *Go to Item 4* 3 ☐ **No** - *Go to Item 5*

4. Report the total quantity of unsold stored commodity held, both on-farm and off-farm, on March 1st, June 1st, September 1st, and December 1st of 2023. (***Exclude*** *any commodity under any type of marketing contract or under a CCC loan.)*

CROP		March 1st		June 1st		September 1st		December 1st	
Corn (bushels)	on-farm	5706		5707		5708		5709	
	off-farm	5710		5711		5712		5713	
Soybeans (bushels).	on-farm	5714		5715		5716		5717	
	off-farm	5718		5719		5720		5721	
Wheat (bushels) - type: 5791 1 ☐ Durum 2 ☐ Other spring 3 ☐ Winter	on-farm	5722		5723		5724		5725	
	off-farm	5726		5727		5728		5729	
Other - specify: 5792 / Units specify 5793	on-farm	5730		5731		5732		5733	
	off-farm	5734		5735		5736		5737	

Yes?

- Report quantity stored on-farm or off-farm for each of the 4 dates. **Exclude-** any under marketing contract or CCC loan

Wheat?

- Mark the **type of wheat**- Durum, Other spring, Winter

Section B- Precision Agriculture

Use Precision ag technologies

Yes or No?

Why did you use the technology?

Listed- Codes for Column 3

Why did you not use the technology?

Listed-Codes for Column 4

PRECISION AGRICULTURE

5. The following table lists various types of precision agriculture technologies used on farm and ranch operations.
In column 2, mark **YES** or **NO** if you used that technology on your operation.
If **YES**, in **column 3** list all the reasons why the technology was chosen.
If **NO**, in **column 4** list all the reasons why the technology was NOT chosen.

(1) TECHNOLOGY	(2) Did you use this technology? (1 = Yes, 3 = No)		(3) List all the codes that match the reasons you **CHOSE to use** this technology.		(4) List all the codes that match the reasons you **DID NOT CHOOSE** to use this technology.	
Yield monitor	5738	1 ☐ Yes 3 ☐ No	5739		5740	
Yield map	5741	1 ☐ Yes 3 ☐ No	5742		5743	
Soil map	5744	1 ☐ Yes 3 ☐ No	5745		5746	
Guidance auto-steering	5747	1 ☐ Yes 3 ☐ No	5748		5749	
Variable rate applicator/technology	5750	1 ☐ Yes 3 ☐ No	5751		5752	
Imagery from aircraft or satellite	5753	1 ☐ Yes 3 ☐ No	5754		5755	
Unmanned aerial vehicles (i.e., drones)	5756	1 ☐ Yes 3 ☐ No	5757		5758	
Robotic milking	5759	1 ☐ Yes 3 ☐ No	5760		5761	
Sensors/accelerometers on individual livestock	5762	1 ☐ Yes 3 ☐ No	5763		5764	

CODES for column 3

1 - increase yields
2 - save labor time
3 - reduce purchased input costs
4 - reduce operator fatigue
5 - broadband internet access
6 - improve soil conditions
7 - came standard on the equipment
8 - reduce environmental impacts
9 - other

CODES for column 4

10 - costs too high compared to benefits
11 - DO NOT have broadband internet access
12 - benefits uncertain
13 - too complicated to use
14 - not accurate enough
15 - not relevant to my operation
16 - other

Thank you!

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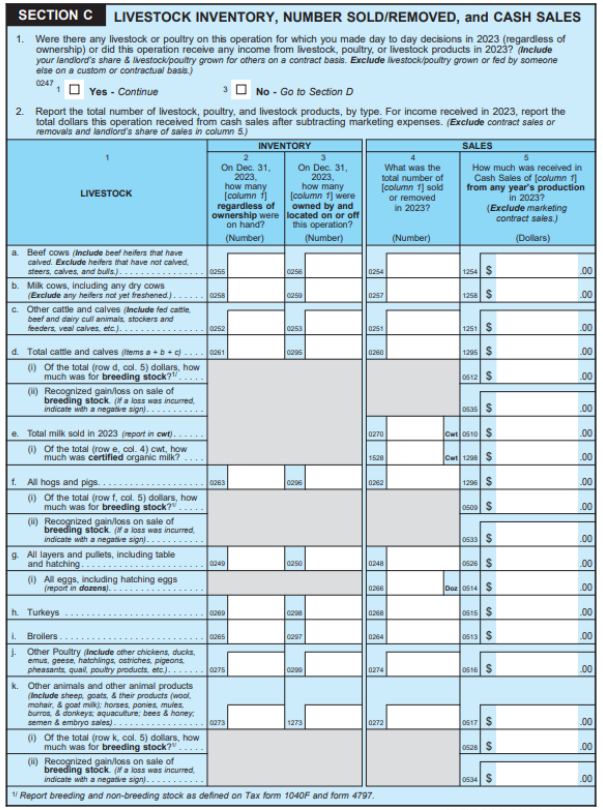
Section C: Livestock Inventory, Number Sold/Removed, and Cash Sales

Section C - Livestock Inventory, Number Sold/Removed, and Cash Sales

Purpose

- Record inventory, ownership, removal, and cash sales for the operation
- Collected information allows us to better understand various compositions of operations with different types of livestock. This data helps us assess trends in the livestock industry



SECTION C LIVESTOCK INVENTORY, NUMBER SOLD/REMOVED, and CASH SALES

1. Were there any livestock or poultry on this operation for which you made day to day decisions in 2023 (regardless of ownership) or did this operation receive any income from livestock, poultry, or livestock products in 2023? (*Include your landlord's share & livestock/poultry grown for others on a contract basis. Exclude livestock/poultry grown or fed by someone else on a custom or contractual basis.*)

0247 1 ☐ **Yes** - *Continue* 3 ☐ **No** - *Go to Section D*

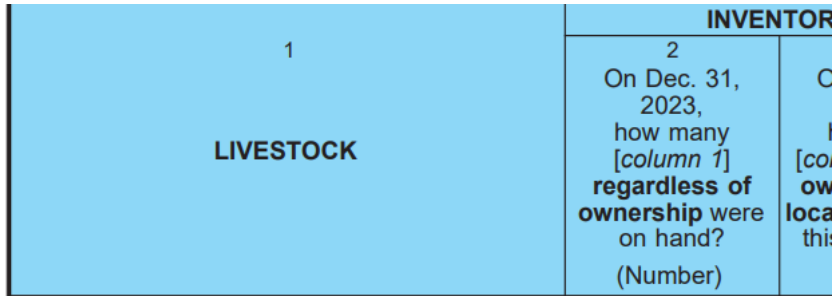
2. Report the total number of livestock, poultry, and livestock products, by type. For income received in 2023, report the total dollars this operation received from cash sales after subtracting marketing expenses. (*Exclude contract sales or removals and landlord's share of sales in column 5.*)

1 LIVESTOCK	INVENTORY 2 On Dec. 31, 2023, how many [*column 1*] **regardless of ownership** were on hand? (Number)	INVENTORY 3 On Dec. 31, 2023, how many [*column 1*] were **owned by and located on or off** this operation? (Number)	SALES 4 What was the total number of [*column 1*] sold or removed in 2023? (Number)	SALES 5 How much was received in Cash Sales of [*column 1*] **from any year's production** in 2023? (*Exclude marketing contract sales.*) (Dollars)
a. Beef cows (*Include beef heifers that have calved. Exclude heifers that have not calved, steers, calves, and bulls.*)	0255	0256	0254	1254 $ .00
b. Milk cows, including any dry cows (*Exclude any heifers not yet freshened.*)	0258	0259	0257	1258 $ .00
c. Other cattle and calves (*Include fed cattle, beef and dairy cull animals, stockers and feeders, veal calves, etc.*)	0252	0253	0251	1251 $ .00
d. Total cattle and calves (*items a + b + c*)	0261	0295	0260	1295 $ .00
(i) Of the total (row d, col. 5) dollars, how much was for **breeding stock**?[1]				0512 $ .00
(ii) Recognized gain/loss on sale of **breeding stock**. (*If a loss was incurred, indicate with a negative sign.*)				0535 $ .00
e. Total milk sold in 2023 (*report in* **cwt**)			0270 Cwt	0510 $ .00
(i) Of the total (row e, col. 4) cwt, how much was **certified** organic milk?			1528 Cwt	1298 $ .00
f. All hogs and pigs	0263	0296	0262	1296 $ .00
(i) Of the total (row f, col. 5) dollars, how much was for **breeding stock**?[1]				0509 $ .00
(ii) Recognized gain/loss on sale of **breeding stock**. (*If a loss was incurred, indicate with a negative sign.*)				0533 $ .00
g. All layers and pullets, including table and hatching	0249	0250	0248	0526 $ .00
(i) All eggs, including hatching eggs (*report in* **dozens**)			0266 Doz	0514 $ .00
h. Turkeys	0269	0298	0268	0515 $ .00
i. Broilers	0265	0297	0264	0513 $ .00
j. Other Poultry (*Include other chickens, ducks, emus, geese, hatchlings, ostriches, pigeons, pheasants, quail, poultry products, etc.*)	0275	0299	0274	0516 $ .00
k. Other animals and other animal products (*Include sheep, goats, & their products (wool, mohair, & goat milk); horses, ponies, mules, burros, & donkeys; aquaculture; bees & honey; semen & embryo sales*)	0273	1273	0272	0517 $ .00
(i) Of the total (row k, col. 5) dollars, how much was for **breeding stock**?[1]				0528 $ .00
(ii) Recognized gain/loss on sale of **breeding stock**. (*If a loss was incurred, indicate with a negative sign.*)				0534 $ .00

[1] *Report breeding and non-breeding stock as defined on Tax form 1040F and form 4797.*

Section C - Inventory

- Record total number of livestock on hand **regardless of ownership**
  - **Include:**
    - All livestock under contract or on a custom basis if on total acres operated
    - 4-H and FFA livestock
    - Livestock on short-term pasture or crop residue grazing to be returned to operation
  - **Exclude:**
    - Livestock owned but being custom fed on another operation (will be recorded in Section D)



1	INVENTOR	
	2	
LIVESTOCK	On Dec. 31, 2023, how many [*column 1*] **regardless of ownership** were on hand? (Number)	C [co ow loca thi

Section C - Inventory Owned

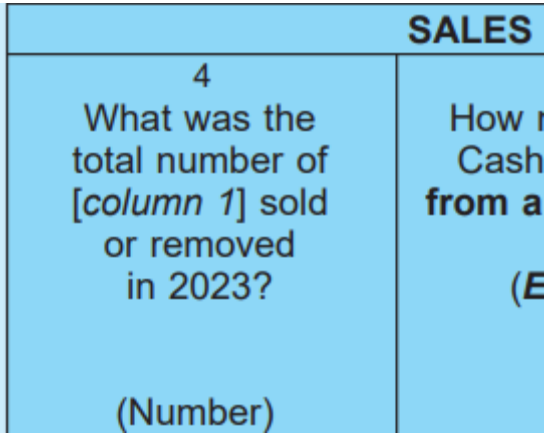
- Record the number of livestock owned and operated
- Number owned (Column 3) is less than or equal to number on hand (Column 2)

1	INVENTORY	
	2	3
LIVESTOCK	On Dec. 31, 2023, how many [*column 1*] **regardless of ownership** were on hand? (Number)	On Dec. 31, 2023, how many [*column 1*] were **owned by and located on or off** this operation? (Number)

Section C - Number Sold/Removed

What's included?

- Sold on the open market
- Delivered under a marketing contract
- Removed under a production contract



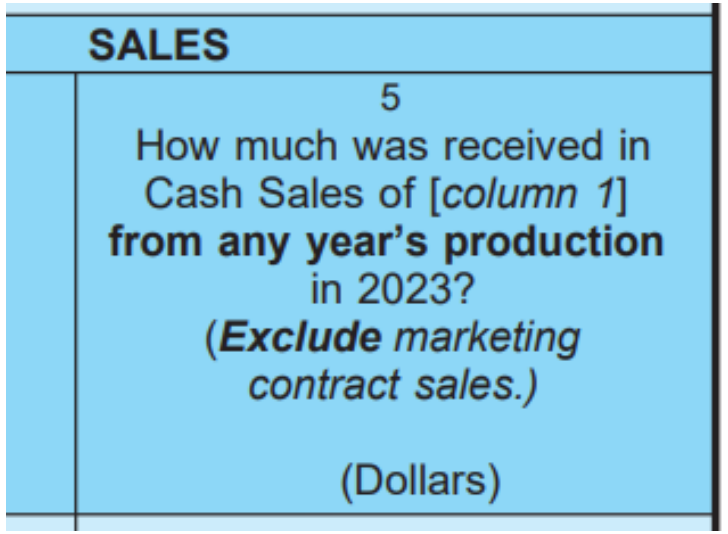
	SALES
4 What was the total number of [*column 1*] sold or removed in 2023? (Number)	How Cash **from a** (E

What's excluded?

- Do not record animal deaths
- Exclude any livestock moved short term to pasture or grazing and returned to the operation

Section C - Cash Sales

- **Subtract marketing expenses to get final cash sales**
  - Check-off fees, drying, commission, inspection, storage, transportation, yardage, etc.
  - Marketing expenses reported in Section I



Section C - Reminders

General:

- Livestock expenses are reported in *Section I – Operating Expenses*
- If livestock is owned, market value of livestock is reported in *Section J – Assets*

Cattle:

- Cull cows are considered removed from the breeding herd are recorded in *Question 2c – Other Cattle*
- Beef or diary heifers that have not calved are recorded in *Question 2c – Other Cattle*, not with cows
- *Question 2c* also includes bulls, cattle on feed, and calves
- *Question 2d* is the sum of questions 2a + 2b + 2c

1 LIVESTOCK	INVENTORY 2 On Dec. 31, 2023, how many [*column 1*] **regardless of ownership** were on hand? (Number)		3 On Dec. 31, 2023, how many [*column 1*] were **owned by and located on or off** this operation? (Number)		4 What was the total number of [*column 1*] sold or removed in 2023? (Number)	
a. Beef cows (***Include*** *beef heifers that have calved.* ***Exclude*** *heifers that have not calved, steers, calves, and bulls.*)	0255		0256		0254	
b. Milk cows, including any dry cows (***Exclude*** *any heifers not yet freshened.*)	0258		0259		0257	
c. Other cattle and calves (***Include*** *fed cattle, beef and dairy cull animals, stockers and feeders, veal calves, etc.*)	0252		0253		0251	
d. Total cattle and calves (*Items a + b + c*)	0261		0295		0260	

Section D

Other Operations Growing/Feeding/Raising Livestock for this Operation

Section D - Purpose

- Record information related to livestock owned by the operation and **raised under contract by another producer**
- Shows a complete picture of farm income and loss
- Receipts (sales), expenses, and assets are **only** reported in this section and should not be reported elsewhere in the questionnaire
  - "In the Fence"

SECTION D **OTHER OPERATIONS GROWING, FEEDING, or RAISING LIVESTOCK FOR THIS OPERATION**

1. In 2023, did any OTHER operations grow, feed, or raise livestock or poultry owned by this operation under a contract agreement where you are the contractor?

0271 1 ☐ **Yes** - *Continue* 3 ☐ **No** - *Go to Section E*

1 What livestock or poultry were being raised or fed for this operation? [*List type below.*]	2 Commodity Code **Office Use Only** (Code)		3 What was the market value of [*type*] on hand on contractee operations on Jan. 1, 2023? (Dollars)		4 What was the estimated market value *(at placement)* of [*type*] placed under contract DURING 2023? (Dollars)		5 How much was paid to contractees for labor, management, and reimbursement for expenses? (Dollars)		6 How much were the GROSS receipts from [*type*] sold or removed under this contract? (Dollars)		7 On Dec. 31, 2023 what was the market value of unsold [*type*] remaining under contract? (Dollars)	
	0277		0278		0279		0280		0281		0282	
	0283		0284		0285		0286		0287		0288	
	0289		0290		0291		0292		0293		0294	

Section D - 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 pigs up to slaughter weight

Section D - Livestock Type

- **Column 1** – Record the livestock contracted out
  - Be Specific!!
  - Do not write just “hogs” or “chickens”
  - Write finishing hogs, laying chicken pullets, dairy heifers, etc.
- **Column 2** – Record the commodity code
  - Use the respondent booklet
  - Record the 3-digit livestock code

1 What livestock or poultry were being raised or fed for this operation? [*List type below.*]	2 Commodity Code **Office Use Only** (Code)	
	0277	
	0283	
	0289	

Section D - Value

- **Column 3** – Record the estimated value of contracted commodities on other operations on January 1
- **Column 4** – Record the estimated value of commodities placed under contract during the year
  - If there are multiple arrangements or if arrangements exist for more than one commodity, record each one on a separate line
  - If needed, please use an extra sheet of paper
    - Be sure to label the extra sheet with the operator information

	3 What was the market value of [*type*] on hand on contractee operations on Jan. 1, 2023? (Dollars)		4 What was the estimated market value *(at placement)* of [*type*] placed under contract DURING 2023? (Dollars)
0278		0279	
0284		0285	
0290		0291	

Section D - Fees and Receipts

- **Column 5** – Record the total amount paid to contractees
  - Include labor, management fees, expenses reimbursed

- **Column 6** – Record the gross receipts for the commodity sold or removed under contract
  - This value **can be ZERO** if the commodity was not sold but returned to the target operation
    - Example: Dairy heifers

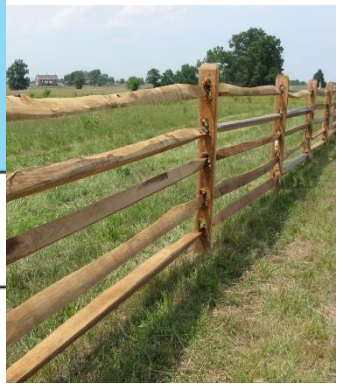
5 How much was paid to contractees for labor, management, and reimbursement for expenses? (Dollars)		6 How much were the GROSS receipts from [*type*] sold or removed under this contract? (Dollars)	
0280		0281	
0286		0287	
0292		0293	

Section D - Unsold Value

- **Column 7** – Record the market value of the unsold commodity under contract on December 31

- **Reminder!** – Data reported in Section D is NOT reported anywhere else in the questionnaire

	7 On Dec. 31, 2023 what was the market value of unsold [*type*] remaining under contract? (Dollars)
0282	
0288	
0294	



Thank You!

Sec. E: Marketing and Production Contracts

Sec. F: Accts. Receivable and Deferred Payments

Click Here
to return to
topic list

Debbie Martin
Upper Midwest Region

Why use contracts?

Farmers

- Manage risks
- Compensation for quality
- Outlet for products
- Assurance for financing

Processors

- Timely flow
- Control over attributes
- Consistency

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”

Examples of Each

- **Marketing**
  - Row Crops (corn, soybeans, wheat)
  - Cotton, Peanuts
  - Fruits & Nuts
  - Vegetables
  - Milk

Production

- Hogs (nursey, farrow-to-ween, finishers, etc.)
- Chickens (broilers, layers, pullets, etc.)
- Turkeys
- Fed cattle

SECTION E MARKETING and PRODUCTION CONTRACTS

1. Did this operation have **marketing** or **production** contracts for any commodities delivered[1] in 2023? *(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.)*

3991 1 ☐ **Yes** - *Continue* 3 ☐ **No** - *Go to Item 3*

"Delivered in [reference year]"

2. Report the commodities delivered in 2023 through **marketing** or **production** co… elivered 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 A) and marketing charges (report in SECTION I, Item 34).)*

Section I – Farm Assets

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

3. What was the ESTIMATED MARKET VALUE for the farm share of [*item*] on —	None	Beginning of Year JAN. 1, 2023? (Dollars)	End of Year DEC. 31, 2023? (Dollars)
a. crops owned and stored on or off this operation? *(**Include** crops stored at co-op or gin warehouse, specialty crops, fruit storage, hay, silage, and nursery and greenhouse products not in the ground. **Exclude** trees and vines and crops under CCC loans.)*	☐	0888 $ .00	0889 $ .00
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. **Exclude** livestock being produced under contract on another operation (reported in Section D).)*	☐	0863 $ .00	0864 $ .00
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. **Exclude** livestock being produced under contract on another operation (reported in Section D).)*	☐	0876 $ .00	0877 $ .00
e. 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?	☐	0880 $ .00	0881 $ .00

Marketing Contract undelivered, still on-hand

Production Contract still not delivered, but inputs used

SECTION E MARKETING and PRODUCTION CONTRACTS

1. Did this operation have **marketing** or **production** contracts for any commodities delivered[1] in 2023? *(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.)*

3991 1 ☐ **Yes** - *Continue* 3 ☐ **No** - *Go to Item 3*

"Delivered in [reference year]"

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a. crops owned and stored on or off this operation? *(**Include** crops stored at co-op or gin warehouse, specialty crops, fruit storage, hay, silage, and nursery and greenhouse products not in the ground. **Exclude** trees and vines and crops under CCC loans.)*	☐	0868 $ .00	0869 $ .00
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. **Exclude** livestock being produced under contract on another operation (reported in Section D).)*	☐	0863 $ .00	0864 $ .00
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. **Exclude** livestock being produced under contract on another operation (reported in Section D).)*	☐	0876 $ .00	0877 $ .00
e. 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?	☐	0880 $ .00	0881 $ .00

Marketing Contract from prior year crop, delivered in [reference year]

Inputs for Production Contract started in prior year

SECTION E MARKETING and PRODUCTION CONTRACTS

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3991 1 ☐ **Yes** - *Continue* 3 ☐ **No** - *Go to Item 3*

2. Report the commodities delivered in 2023 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 A) and marketing charges (report in SECTION I, Item 34).)*

1 What commodities did this operation have MARKETING or PRODUCTION contracts for in 2023? [Write in commodities]	2 Commodity Code Office Use Only (Code)		3 Marketing or Production Contract? Marketing=1 Production=2		4 Quantity of this commodity delivered through this contract? (Exclude landlord's share.)		5 Unit Code (from list below) (Code)		6 What was (will be) the FINAL PRICE/FEE RECEIVED per unit by this operation for this commodity delivered under this contract? (Dollars & Cents)				7 What was the total dollar amount received in 2023 from this contract? (Total Dollars)			
Commodity example	0000		0000	1	0000	10000	0000	04	0000	$	3	. 75	0000	$	37500	.00
	3927		3550		3928		3929		3930	$		.	3931	$		.00
	3932		3551		3933		3934		3935	$		.	3936	$		.00
	3937		3552		3938		3939		3940	$		.	3941	$		.00
	3942		3553		3943		3944		3945	$		.	3946	$		.00

SECTION E MARKETING and PRODUCTION CONTRACTS

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Commodity example	0000	0000 1	0000 10000	0000 04	0000 $ 3 . 75	0000 $ 37500 .00
	3927	3550	3928	3929	3930 $.	3931 $ .00
	3932	3551	3933	3934	3935 $.	3936 $ .00
	3937	3552	3938	3939	3940 $.	3941 $ .00
	3942	3553	3943	3944	3945 $.	3946 $ .00

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SECTION E MARKETING and PRODUCTION CONTRACTS

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SECTION E MARKETING and PRODUCTION CONTRACTS

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3991 1 ☐ **Yes** - *Continue* 3 ☐ **No** - *Go to Item 3*

2. Report the commodities delivered in 2023 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 A) and marketing charges (report in SECTION I, Item 34).)*

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Commodity example	0000		0000	1	0000	10000	0000	04	0000	$	3	. 75	0000	$	37500	.00
✓ Broilers	3927	916	3550	2	3928	160,000	3929	11	3930	$	0	. 28	3931	$	44,800	.00

1/ "Delivered" *includes commodities for which partial payment was made even if not physically delivered by December 31, 2023.*

Unit	Code	Unit	Code	Unit	Code	Unit	Code
Pound	01	Bin	05	Dozen	09	Barrel	20
CWT	02	Box	06	Flat	10	Acre	22
Ton	03	Bale	07	Head / Bird	11	Animal Space	39
Bushels	04	Carton	08	Plant / Pot	13	Kilogram	40

- <u>EXAMPLE</u>: The producer raised 160,000 broilers under a marketing contract for $0.28 per bird and was paid-in-full ($44,800 total).
- Be careful of the units 1= lbs but is not the same as per bird which is an 11.

SECTION E MARKETING and PRODUCTION CONTRACTS

1. Did this operation have **marketing** or **production** contracts for any commodities delivered[1] in 2023? *(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.)*

3991 1 ☐ **Yes** - *Continue* 3 ☐ **No** - *Go to Item 3*

2. Report the commodities delivered in 2023 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 A) and marketing charges (report in SECTION I, Item 34).)*

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Commodity example	0000		0000	1	0000	10000	0000	04	0000	$	3	.	75	0000	$	37500 .00
✗ Broilers	3927	916	3550	2	3928	640,000	3929	1	3930	$	0	.	28	3931	$	44,800 .00

1/ "Delivered" *includes commodities for which partial payment was made even if not physically delivered by December 31, 2023.*

Unit	Code	Unit	Code	Unit	Code	Unit	Code
Pound	01	Bin	05	Dozen	09	Barrel	20
CWT	02	Box	06	Flat	10	Acre	22
Ton	03	Bale	07	Head / Bird	11	Animal Space	39
Bushels	04	Carton	08	Plant / Pot	13	Kilogram	40

- <u>EXAMPLE</u>: The producer raised 640000 pounds of chickens for a total of $44,800.
- In Section C, the farmer reported 160,000 broilers “sold or removed”.

INCENTIVES FROM COMMODITY BUYERS

3. Did your buyers (including cooperatives) require or encourage you to use sustainable livestock or crop production practices such as cover crops or reduced fertilizer application rates, or changes to livestock diets or feed additives through any of the following methods? Exclude certified-organic production.

a. Contracts or agreements that specify the use of particular practices	2663	1	☐	Yes	3	☐ No
b. Additional payments or price premiums	2664	1	☐	Yes	3	☐ No
c. Technical information or production decision tools	2665	1	☐	Yes	3	☐ No
d. Other methods	2666	1	☐	Yes	3	☐ No

4. If any of 3a - 3d are marked YES, is the arrangement related to carbon sequestration or GHG emission reductions?

5765 1 ☐ Yes 3 ☐ No

Section F:
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 (think contracts)

EXAMPLE:

The producer delivered 1,000 cwt of milk @ $15/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 @ $17/cwt, and was paid the first week of next year.

SECTION F **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 J, Item 3a.*]

		None	Dollars
a. On January 1, 2023, what was the total dollar amount **owed** to this operation for all commodities produced and sold *(cash or contract)* **before** January 1, 2023? . .	0885	☐	$ 15 000 .00
(i) How much did this operation receive from Item 1a during 2023?.	0875	☐	$ 15 000 .00
b. What was the total dollar amount owed to this operation on December 31, 2023, for all commodities produced, sold *(cash or contract)*, delivered, or removed under contract in 2023 and earlier years?	0886	☐	$ 17 000 .00

SECTION E

1 What commodities did this operation have MARKETING or PRODUCTION contracts for in 2021? [Write in commodities]	2 Commodity Code Office Use Only (Code)	3 Marketing or Production Contract? Marketing=1 Production=2	4 Quantity of this commodity delivered through this contract? (Exclude landlord's share.)	5 Unit Code (from list below) (Code)	6 What was (will be) the FINAL PRICE/FEE RECEIVED per unit by this operation for this commodity delivered under this contract? (Dollars & Cents)	7 What was the total dollar amount received in 2021 from this contract? (Total Dollars)
Milk	3927 909	3550 1	3928 52 000	3929 2	3930 $ 17 . 00	3931 $ 867 000 .00

(52,000 cwt) x ($17/cwt) = $884,000

($884,000 – $17,000) = $867,000 received

SECTION F 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 I, Item 3a.*]

	None	Dollars
a. On January 1, 2021, what was the total dollar amount **owed** to this operation for all commodities produced and sold *(cash or contract)* **before** January 1, 2021? . . 0885	☐	$ 15 000 .00
(i) How much did this operation receive from Item 1a during 2021? 0875	☐	$ 15 000 .00
b. What was the total dollar amount owed to this operation on December 31, 2021, for all commodities produced, sold *(cash or contract)*, delivered, or removed under contract in 2021 and earlier years? 0886	☐	$ 17 000 .00

SECTION E

1 What commodities did this operation have MARKETING or PRODUCTION contracts for in 2021? [Write in commodities]	2 Commodity Code Office Use Only (Code)	3 Marketing or Production Contract? Marketing=1 Production=2	4 Quantity of this commodity delivered through this contract? (Exclude landlord's share.)	5 Unit Code (from list below) (Code)	6 What was (will be) the FINAL PRICE/FEE RECEIVED per unit by this operation for this commodity delivered under this contract? (Dollars & Cents)	7 What was the total dollar amount received in 2021 from this contract? (Total Dollars)
Processed Cherries	3927 6156	3550 1	3928 100 000	3929 1	3930 $ 0 . 42	3931 $ 21 000 .00

(100,000 lbs) x (42 cents/lb) = $42,000

SECTION F 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 I, Item 3a.*]

	None	Dollars
a. On January 1, 2021, what was the total dollar amount **owed** to this operation for all commodities produced and sold *(cash or contract)* **before** January 1, 2021? . . 0885	☐	$ .00
(i) How much did this operation receive from Item 1a during 2021? 0875	☐	$ .00
b. What was the total dollar amount owed to this operation on December 31, 2021, for all commodities produced, sold *(cash or contract)*, delivered, or removed under contract in 2021 and earlier years? 0886	☐	$ 21 000 .00

Conclusion

- Marketing/Production Contracts and Accounts Receivable tell an important part of the farm financial story

Click Here
to return to
topic list

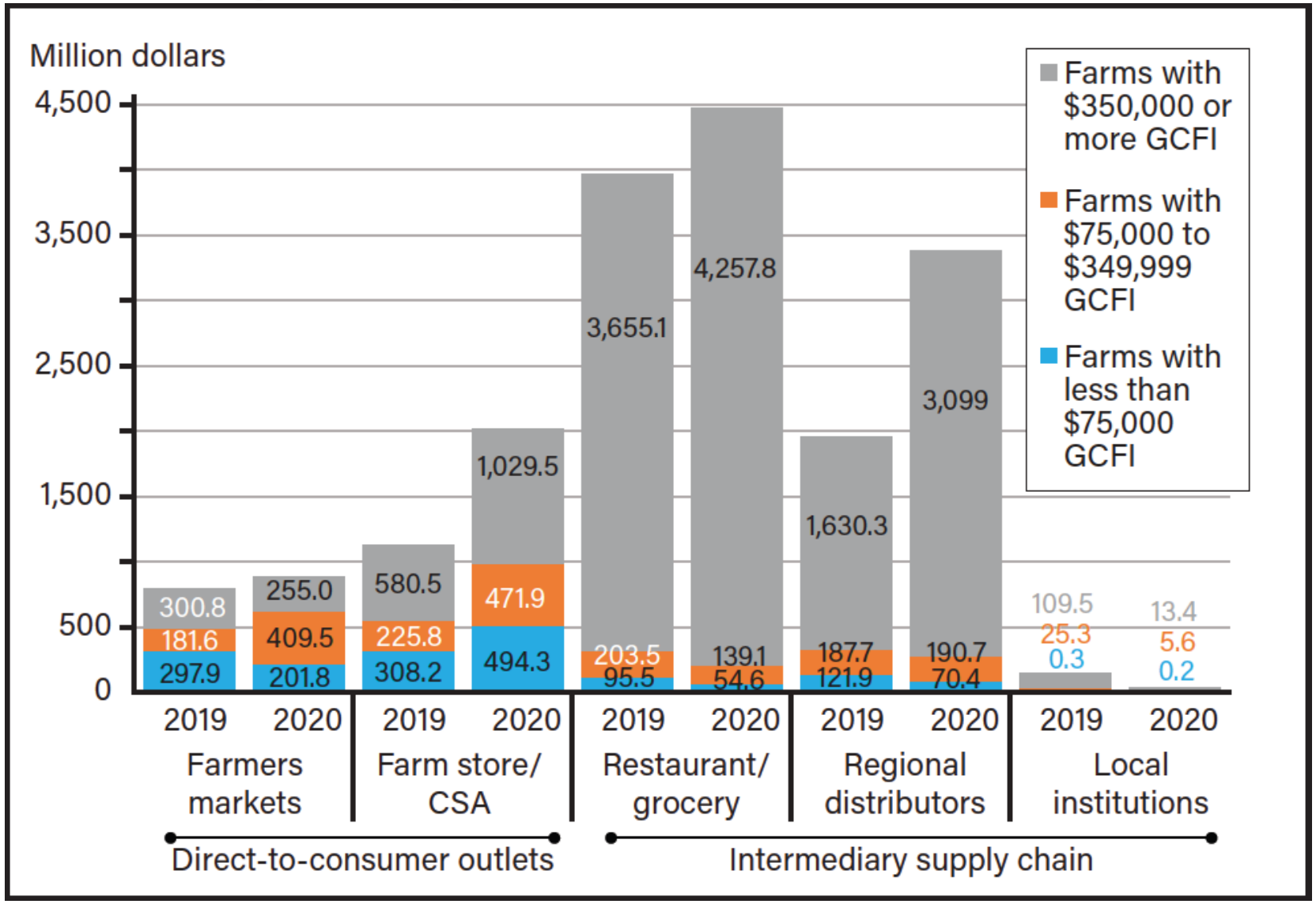
Sec. G – Direct Sales

Kyle Nelson
Northern Plains Region

Why is this important?

- Understand farm operations utilizing direct sales

Direct sales by marketing channel and farm size, 2019 and 2020



Source: USDA, National Agricultural Statistics Service and USDA, Economic Research Service, 2019 and 2020 Agricultural Resource Management Survey.

Sec. G - Questionnaire

- Please be aware of includes and excludes.
- Item 1 - Sales are split out Edible and Non-edible Products by category (Consumers, Retail markets, Institutions, and Intermediate markets).
- Item 2 – Include marketing expenses related to products reported in Item 1.
- Item 3 – Questions pertain to the sale of processed/value-added products.

Sec. G – In conclusion…

- Please be aware of what types of direct sales and sales to intermediate markets you may see in your area.
- Sales in Sec. G should appear elsewhere on the questionnaire.

Sections H:
Government Payments & Other Farm Related Income

Click Here to return to topic list

David Garcia
Statistician - Pacific Region

Objectives & Purpose

- This section will help measure income other than crop and livestock sales.
- Government payments and other farm income contribute to a farm's bottom line.
- Only account for income that belongs to the operation identified on the label.

Item 1: CCC Loans

- What is Commodity Credit Corporation (CCC) Loan?
  - Provides producers an interim financing option at harvest time for cash flow.
  - Crop is posted as collateral.
  - Farmers have the option to pay back the loan or deliver the crop.
  - Maximizes the return to the farmer.

Item 2: Farm Payments & Programs

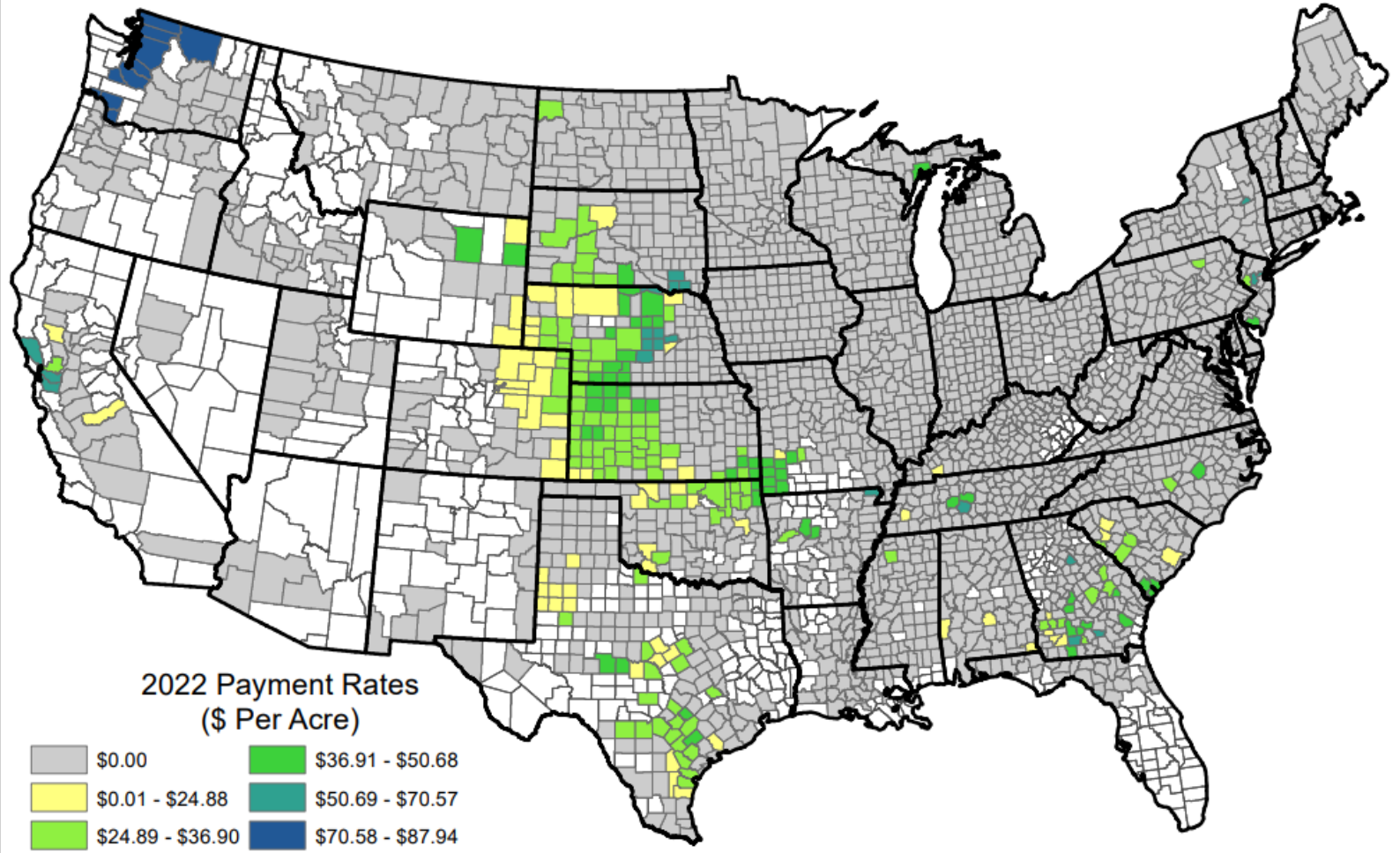
- **Farm Program Payments**
- **Conservation Reserve Program (CRP)**
  - 10-15 year program to mitigate erosion, improve water quality, and wildlife habitat.
- **Environmental Quality Incentives Program (EQIP)**
  - Provides assistance to plan/implement conservation practice to improve soil, water, plant, animal, air, and other natural resources.
- **Conservation Stewardship Program (CSP)**
  - Promotes sustainable production on working lands
- **Other Conservation Programs**
  - Wetlands Reserve, Grassland Reserve, among other types

Item 2: Government Programs

- **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.

2022 ARC-CO Payment Rates for Corn

Counties with an All or Non-Irrigated Rate Designation

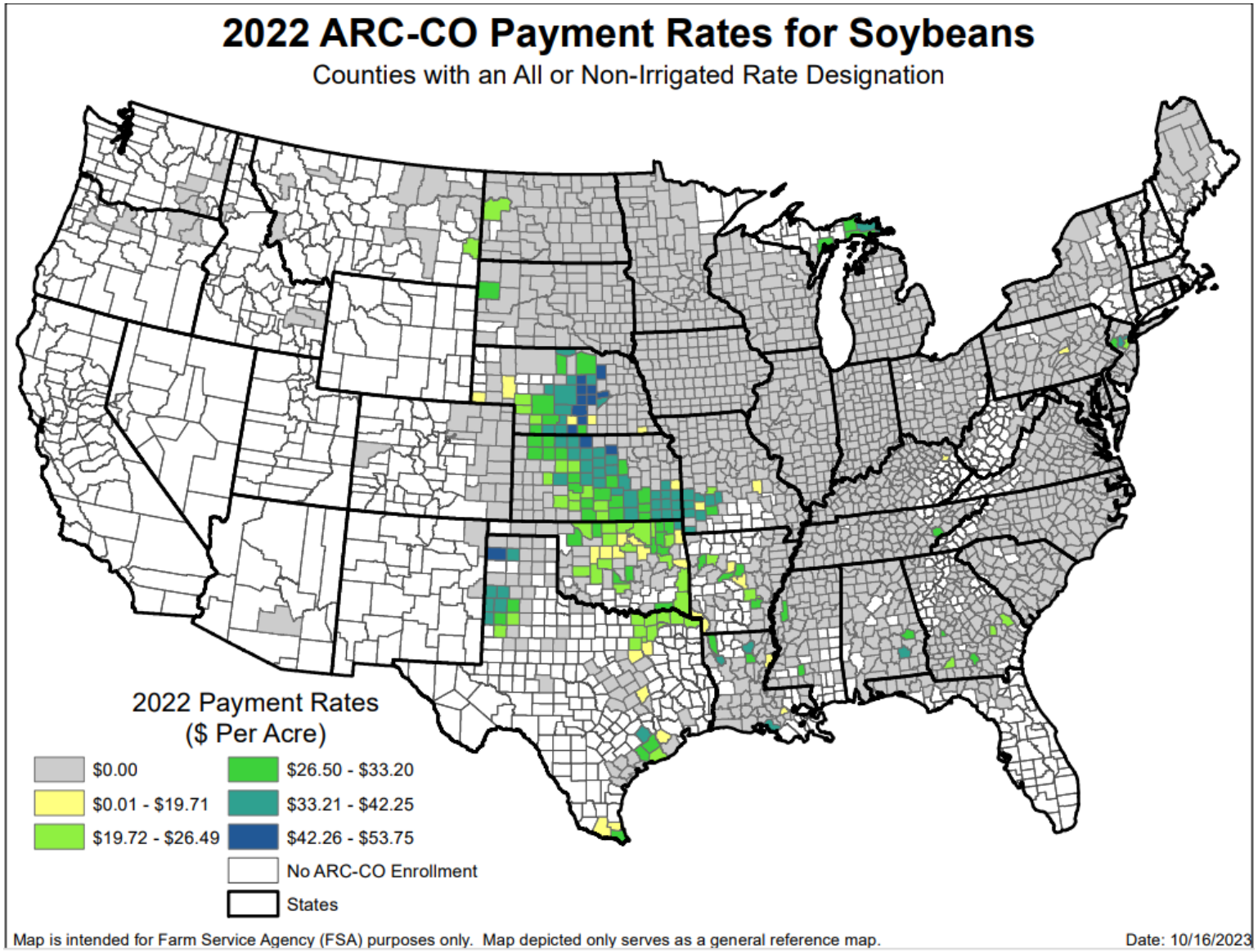


Map is intended for Farm Service Agency (FSA) purposes only. Map depicted only serves as a general reference map.

Date: 10/16/2023

2022 ARC-CO Payment Rates for Soybeans

Counties with an All or Non-Irrigated Rate Designation

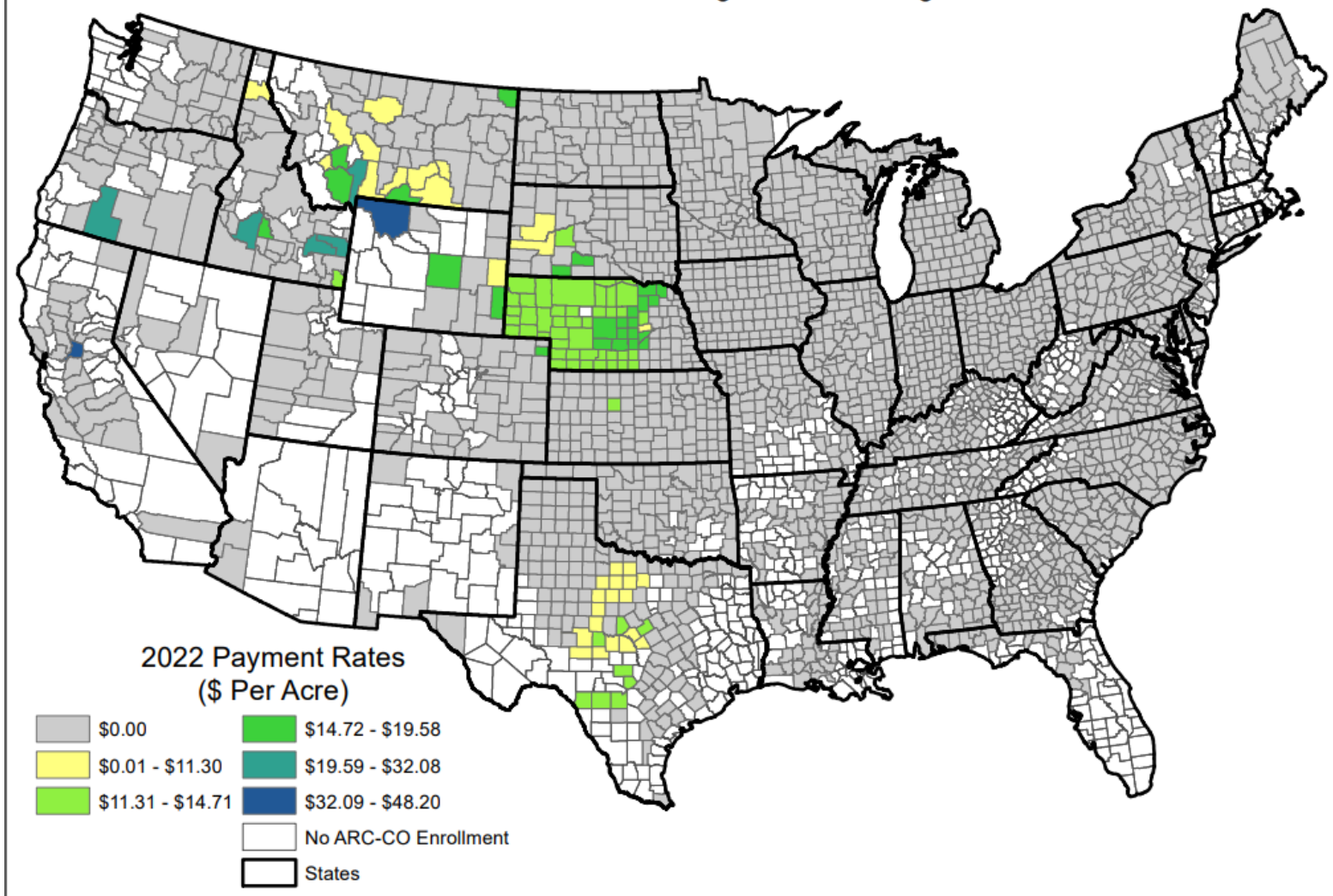


Map is intended for Farm Service Agency (FSA) purposes only. Map depicted only serves as a general reference map.

Date: 10/16/2023

2022 ARC-CO Payment Rates for Oats

Counties with an All or Non-Irrigated Rate Designation

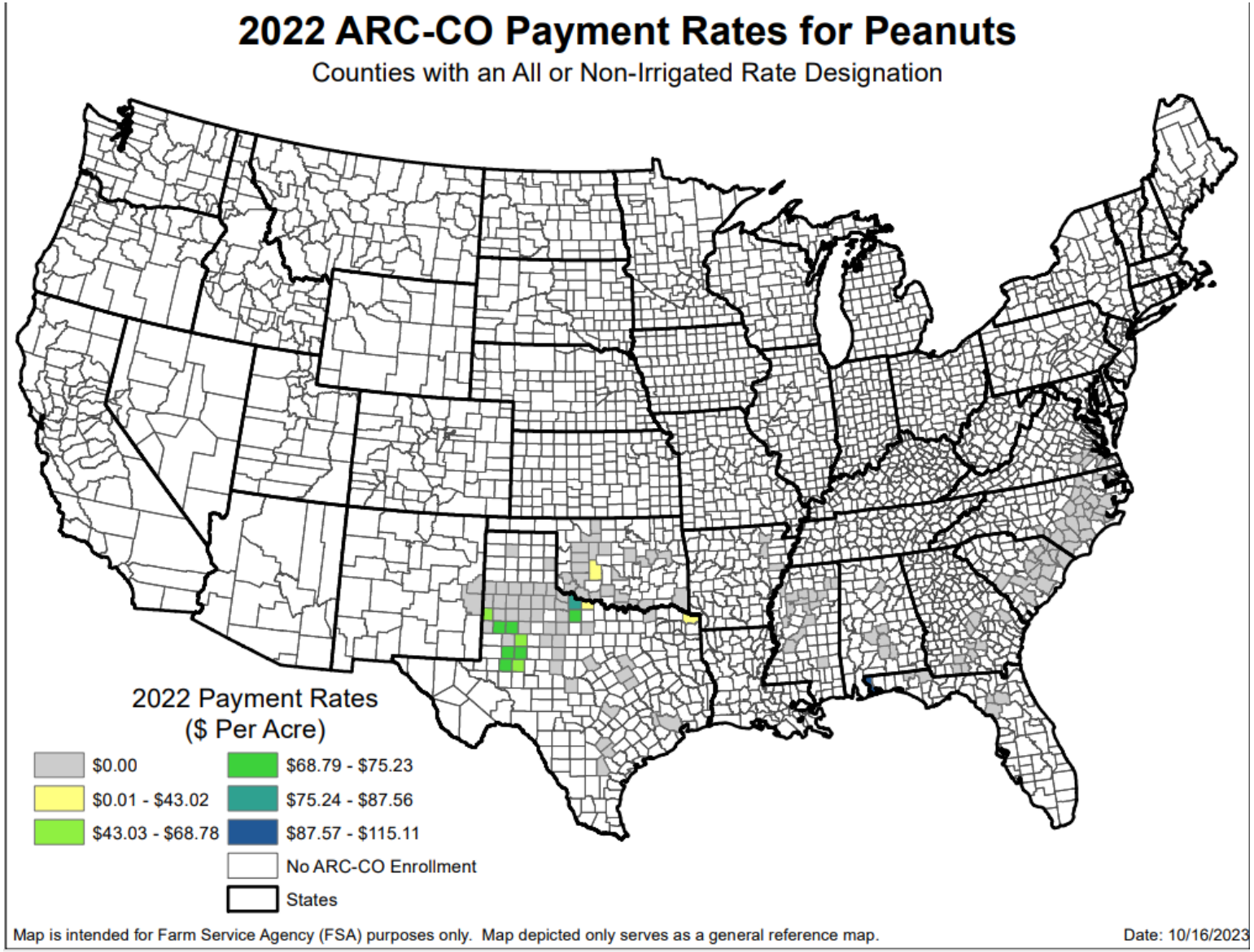


Map is intended for Farm Service Agency (FSA) purposes only. Map depicted only serves as a general reference map.

Date: 10/16/2023

2022 ARC-CO Payment Rates for Peanuts

Counties with an All or Non-Irrigated Rate Designation



Map is intended for Farm Service Agency (FSA) purposes only. Map depicted only serves as a general reference map.

Date: 10/16/2023

Item 3: Other Farm Related Income

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

- **Custom Work**
  - This operation provides both labor and the machine for a fee.

- **Grazing of Livestock**
  - Include short term grazing contracts (2-4 months).

Item 3: Other Farm Related Income (continued)

- **Insurance Indemnity Payments**
  - Includes insurance payments from crop insurance, hail insurance, vehicle and equipment insurance policies, and the owner's home (if owned by the operation).

- **All Other Farm Income**
  - Hedging (futures contract) profits or losses
  - Refunds claimed for marketing charges
  - Sale of value-added goods
  - Payments received for cell phone towers, access roads, etc.

Item 4: Crops vs Livestock

4. In 2023, did the largest portion of this operation's total gross value of sales come from crops or livestock?
(If the operation had no sales in 2023, choose crops if the value of cropland on the operation exceeds the value of any livestock on the operation in 2023. Otherwise, choose livestock).

0562 1 ☐ CROP 2 ☐ LIVESTOCK

ANY
QUESTIONS

Operating & Capital Expenditures

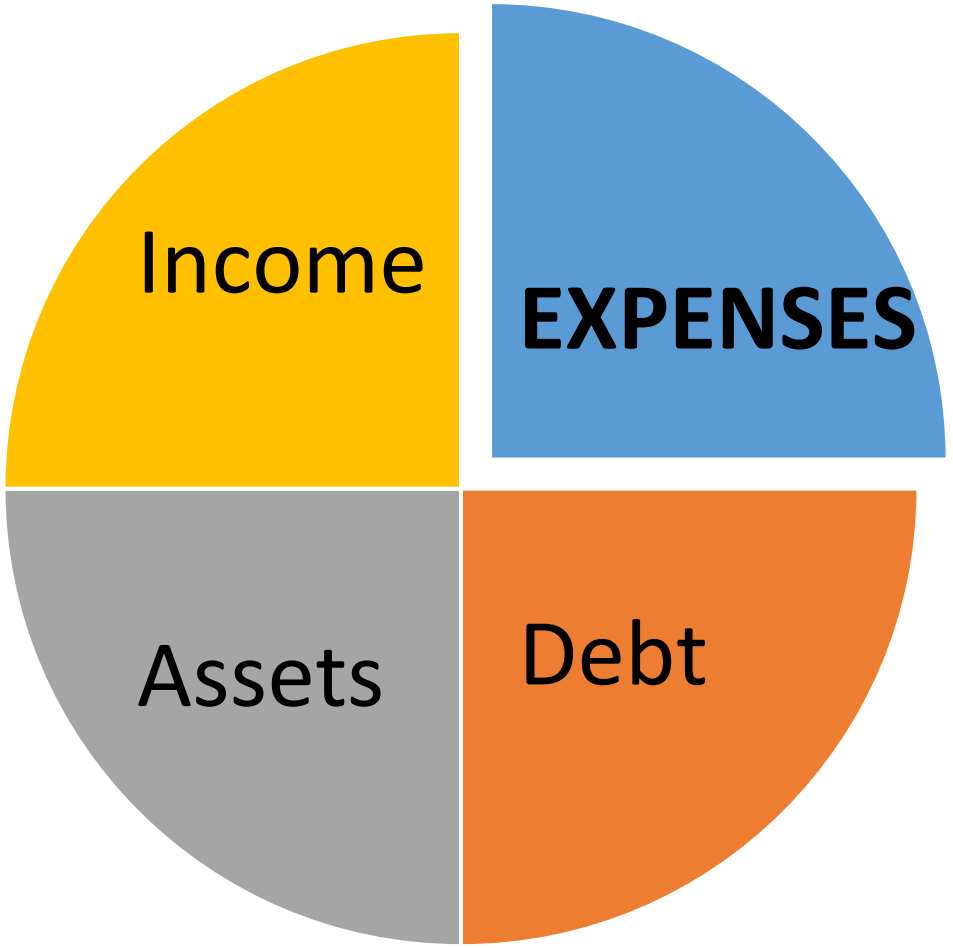
Click Here
to return to
topic list

Brad Medlock
Upper Midwest 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

How it all Fits



Expenditures - General

- Include expenses related to this operation
- Watch Include/Exclude Instructions
- Landlord expenses asked at the end of the section
- Best Estimates are Acceptable

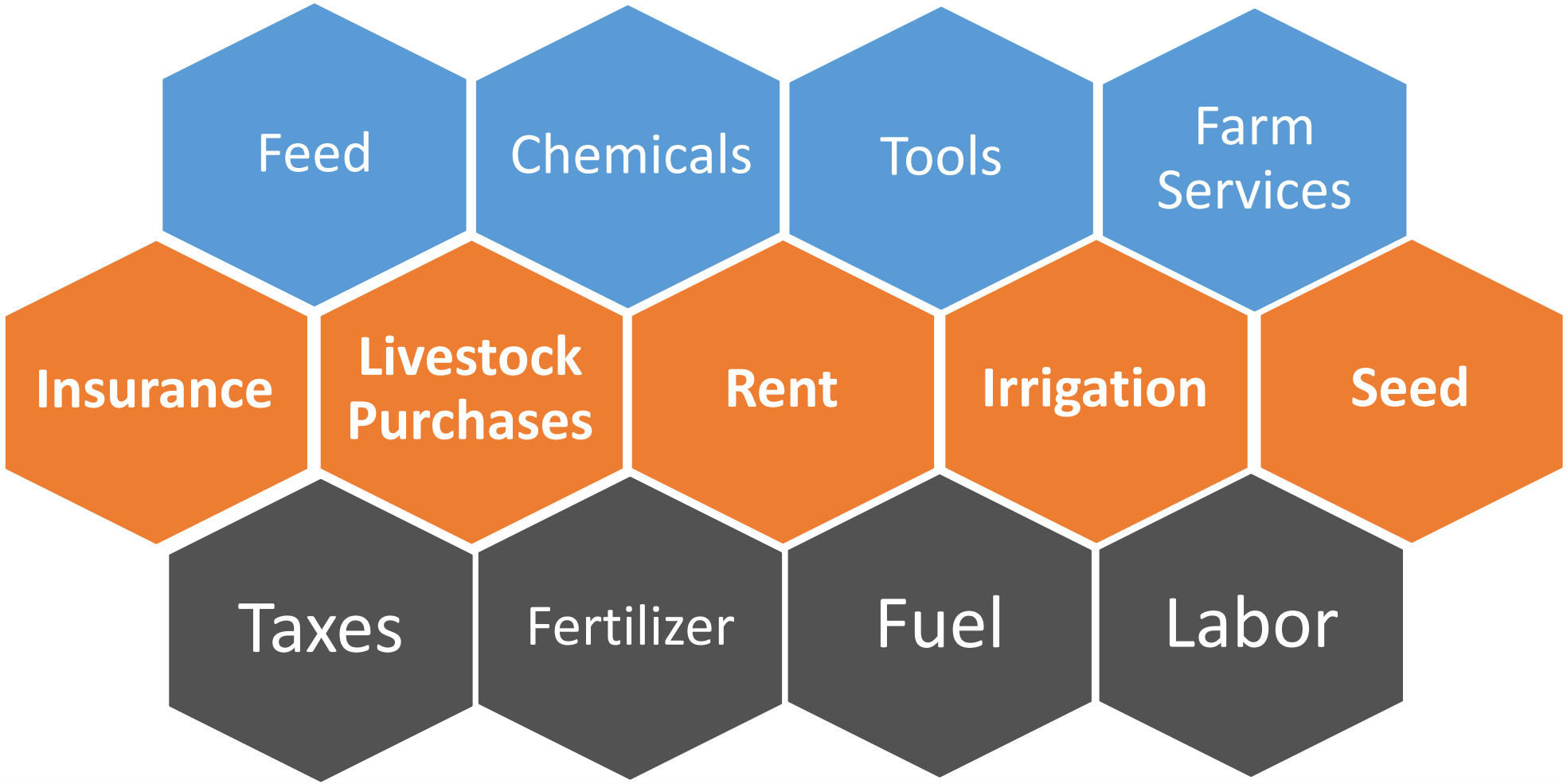
SECTION I **OPERATING & CAPITAL EXPENDITURES**

In 2023, 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 2023

		None	Dollars
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	☐	$ .00
2.	nutrients, fertilizer, lime, and soil conditioners? *(**Include** cost of custom application and organic materials. **Exclude** potting mixes, vermiculite, and sterilized soil.)* 0606	☐	$ .00
3.	agricultural chemicals and biocontrols for crops, livestock, poultry, and general farm use? *(**Include** biological pest controls and custom application costs.)* 0612	☐	$ .00

Operating Expenses



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 I **OPERATING & CAPITAL EXPENDITURES**

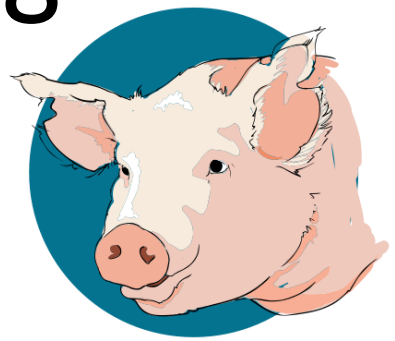
In 2023, how much was spent for each item by the PRODUCER(S) and PARTNER(S): *(**Include** only expenses related to this operation. **Exclude** expenses NOT related to this farm/ranch; expenses of performing custom work FOR others, if this is a separate business; and expenses on land rented to others.)*

OPERATING EXPENSES in 2023

		None	Dollars
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	☐	$ .00
2.	nutrients, fertilizer, lime, and soil conditioners? *(**Include** cost of custom application and organic materials. **Exclude** potting mixes, vermiculite, and sterilized soil.)* 0606	☐	$ .00
3.	agricultural chemicals and biocontrols for crops, livestock, poultry, and general farm use? *(**Include** biological pest controls and custom application costs.)* 0612	☐	$ .00

Livestock: Items 4-8

- Check Section C for Inventory
- Include Commission, Yardage, Insurance, and Fees



4.	livestock purchases of –		
	a. breeding stock for beef cattle, dairy cattle, hogs and sheep? . . . 0621	☐	$ .00
	b. other cattle, calves, hogs and pigs? [*Report other sheep in Item 4d.*] . . . 0624	☐	$ .00
	c. chickens and turkeys? [*Report ducks and game birds in Item 4d.*] . . . 0627	☐	$ .00
	d. other livestock and poultry? (***Include*** *other sheep, lambs, bees, brood fish, fingerlings, eggs for hatching, goats, etc.)* . . . 0630	☐	$ .00
5.	leasing of livestock? (***Include*** *bees, bulls, dairy cattle, etc.)* . . . 0633	☐	$ .00
6.	purchased feed for livestock and poultry? (***Include*** *grain, hay, silage, mixed feeds, concentrates, etc.)* . . . 0636	☐	$ .00
7.	bedding and litter for livestock? . . . 0639	☐	$ .00
8.	medical supplies, veterinary and custom services for livestock? . . . 0642	☐	$ .00

Fuel Breakout – Item 9

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

9. purchases for the farm business of –			
a. all fuels, oils and lubricants? *(total of 9a(i) through 9a(vi) must equal Item 9a)* 0663	☐	$	TOTAL .00
(i) diesel fuel? *(**Include** biodiesel.)* 0645	☐	$	.00
(ii) gasoline and gasohol? *(**Include** ethanol blends.)* 0648	☐	$	.00
(iii) natural gas? 0651	☐	$	.00
(iv) LP gas *(propane, butane)*? 0654	☐	$	.00
(v) oils and lubricants? *(**Include** grease, hydraulic fluids, motor oils, transmission fluids, etc.)*. 0657	☐	$	.00
(vi) all other fuel? *(**Include** coal, fuel oil, kerosene, wood, etc.)*. 0660	☐	$	.00

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)***

13. farm supplies, marketing containers, hand tools and farm shop power equipment? . . . 0702	☐	$	.00
14. repairs, parts and accessories for motor vehicles, machinery and farm equipment? 0708	☐	$	.00
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? 0714	☐	$	.00
16. maintenance and repair of the producer's house **if it was owned by the operation**? 0726	☐	$	.00

Wages and Labor Expenses

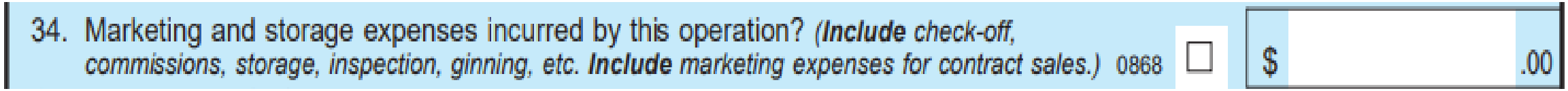
The following table applies to items 24 and 25

Include	Exclude	
• Cash wages • Incentives and bonuses • Payments to corporate officers and family members, including yourself and other producers if they received a wage	• Draws by individual producers and partners • Wages paid for custom labor or contract work • Payments to pensions or retirement plans • Social Security on owner/producer	Employer's share of: • Social Security and unemployment taxes • Health and life insurance • Worker's compensation

		None	Dollars
24.	CASH WAGES paid to hired farm and ranch labor?	0758	☐	$ TOTAL .00
25.	Of the (Item 24) dollars, how much salary or wage was paid to — *(total 25a + 25b + 25c + 25d + 25e must equal Item 24)*			
a.	you *(the principal producer)*?	0764	☐	$ .00
b.	your *(the principal producer's)* spouse? *(Even if your spouse is a producer, **include** his/her wages here.)*	0767	☐	$ .00
c.	other members of your *(the producer's)* household? *(Even if your other household members are producers, **include** their wages here.)*	0574	☐	$ .00
d.	other producers *(outside the producer's household)*? *(Those persons responsible for the day-to-day management decisions for this operation.)*	0770	☐	$ .00
e.	all other paid farm and ranch labor?	0773	☐	$ .00
26.	payroll taxes for hired labor? *(**Include** any amounts the farm paid for farm workers that are part of your (the producer's) household.)*	0705	☐	$ .00
27.	benefits for hired labor? *(**Include** employer's share of health insurance, pension or retirement plans, Worker's Compensation, etc.)*	0915	☐	$ .00

Marketing Charges

- Section I, 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.


34. Marketing and storage expenses incurred by this operation? *(**Include** check-off, commissions, storage, inspection, ginning, etc. **Include** marketing expenses for contract sales.)* 0868 ☐ $ .00

Operating Expenses not located in Section I

- Gross rent components: Section A
  - Cash Rent
  - Share rent
  - Grazing fees
- Contractor Expenses: Section D, Item 1, Column 5
- Livestock contract production fees: Section E
  - Section E, Item 2, last two columns

Operating vs Capital Expenses

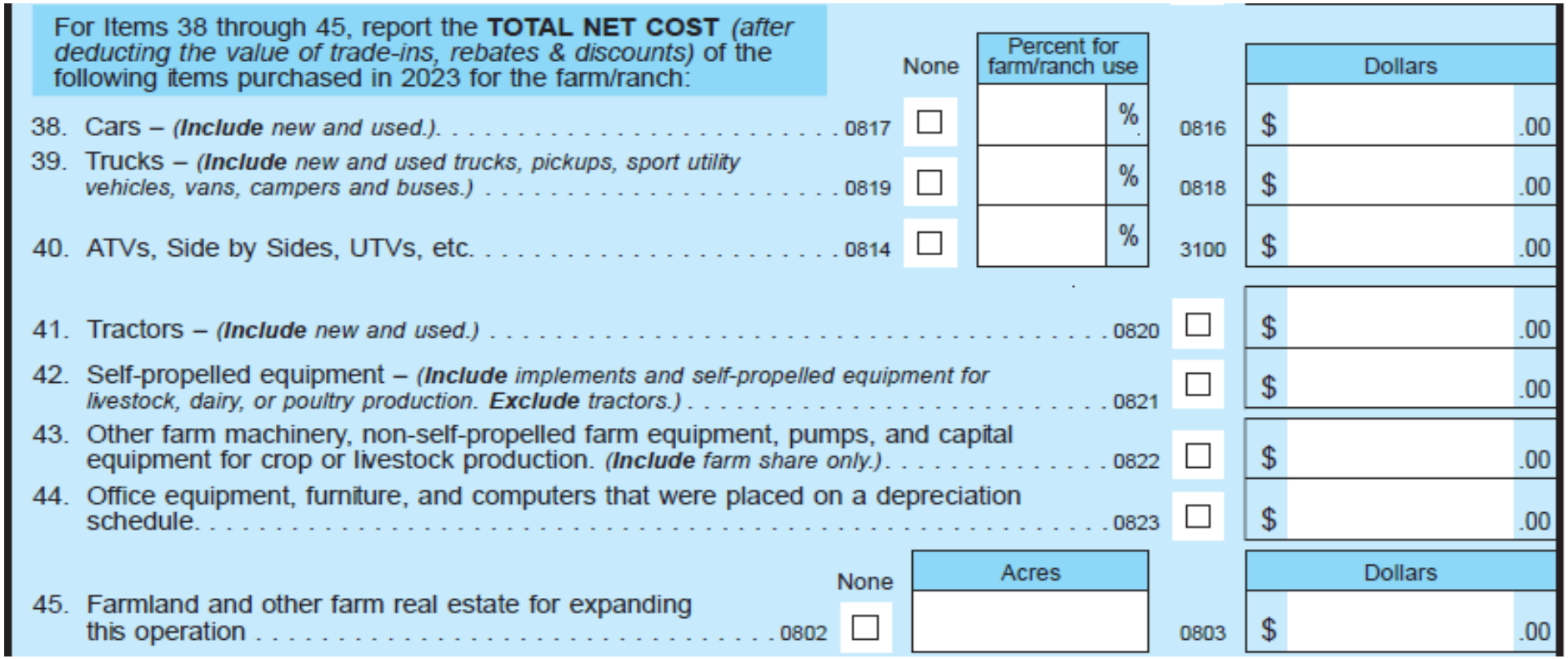
Capital Improvements

- Focus on expenses which add value to the farm assets and businesses

CAPITAL EXPENSES in 2023			
35. improvements on land such as land preparation, irrigation improvements, well drilling, ponds, feedlots, trench silos, lagoons, new fences, etc.? 0807	☐	$	.00
36. new construction and remodeling of dwellings, barns, buildings, hog houses, poultry houses, milk barns, storage facilities, sheds, silos, etc.? 0810	☐	$	.00
37. new construction or remodeling of the producer's dwelling, if owned by the operation? 0813	☐	$	.00

Vehicles, Machinery, and Equipment

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



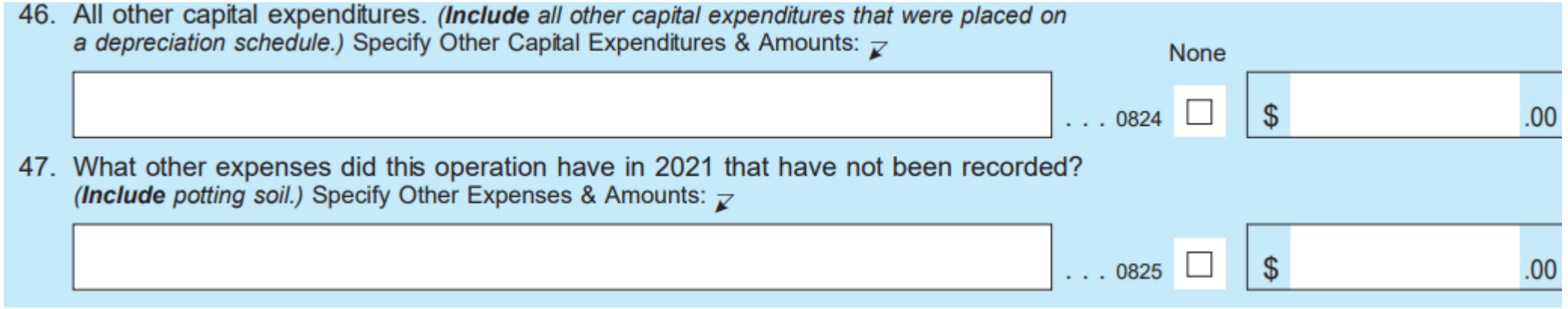
For Items 38 through 45, report the **TOTAL NET COST** *(after deducting the value of trade-ins, rebates & discounts)* of the following items purchased in 2023 for the farm/ranch:

		None	Percent for farm/ranch use		Dollars	
38. Cars – (***Include*** *new and used.)*	0817	☐		%	0816	$ .00
39. Trucks – (***Include*** *new and used trucks, pickups, sport utility vehicles, vans, campers and buses.)*	0819	☐		%	0818	$ .00
40. ATVs, Side by Sides, UTVs, etc.	0814	☐		%	3100	$ .00
41. Tractors – (***Include*** *new and used.)*	0820				☐	$ .00
42. Self-propelled equipment – (***Include*** *implements and self-propelled equipment for livestock, dairy, or poultry production.* ***Exclude*** *tractors.)*	0821				☐	$ .00
43. Other farm machinery, non-self-propelled farm equipment, pumps, and capital equipment for crop or livestock production. (***Include*** *farm share only.)*	0822				☐	$ .00
44. Office equipment, furniture, and computers that were placed on a depreciation schedule.	0823				☐	$ .00

		None	Acres		Dollars	
45. Farmland and other farm real estate for expanding this operation	0802	☐		0803	$ .00	

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:

None

. . . 0824 ☐ $ .00

47. What other expenses did this operation have in 2021 that have not been recorded? *(**Include** potting soil.)* Specify Other Expenses & Amounts:

. . . 0825 ☐ $ .00

Landlord Expenses

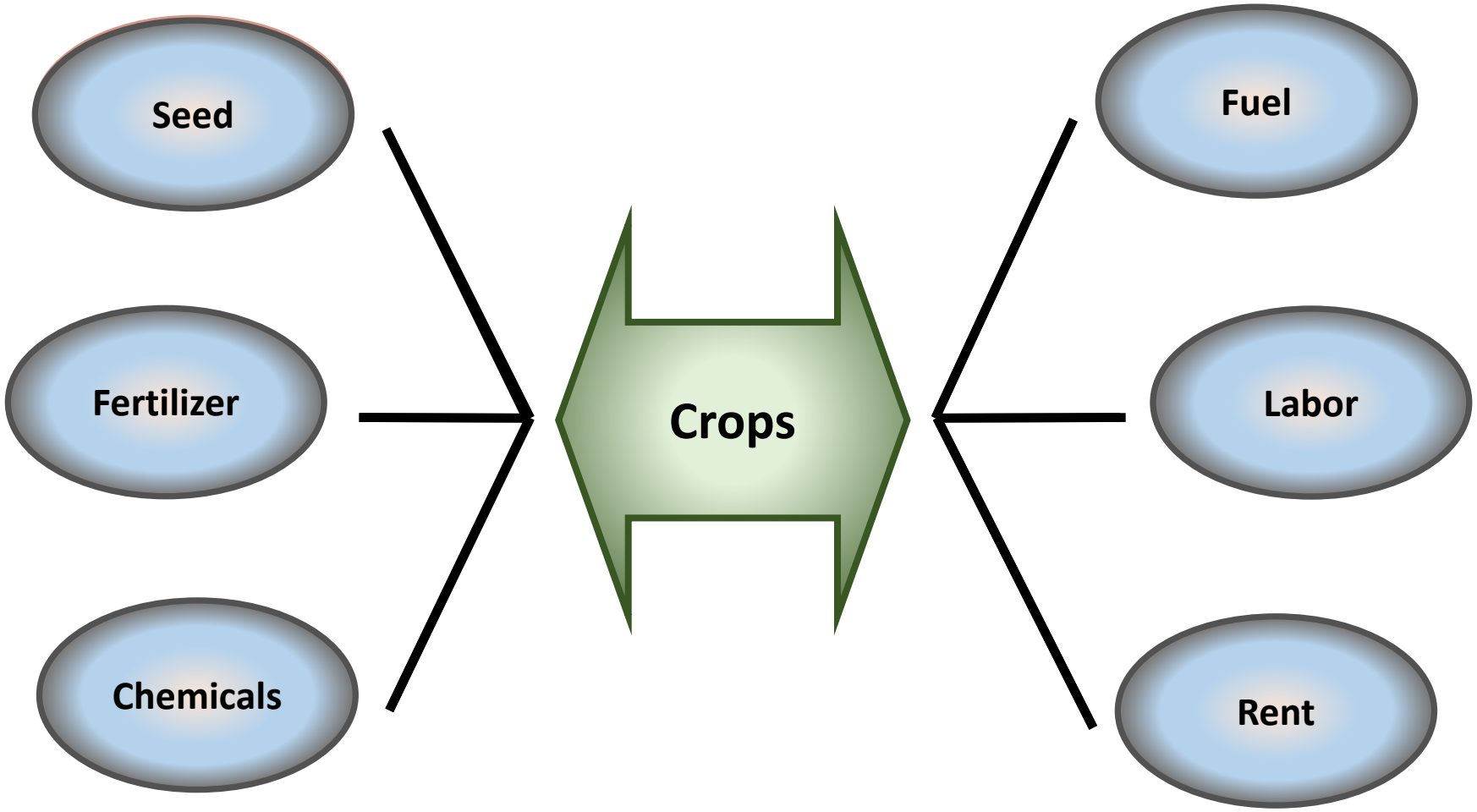
- Skip if there is no rental agreement.
- If exact amounts unknown, write notes if landlord paid expenses.
- All landlords should have property tax expenses.

In 2023, how much was spent for each item by the operation's LANDLORD(S):

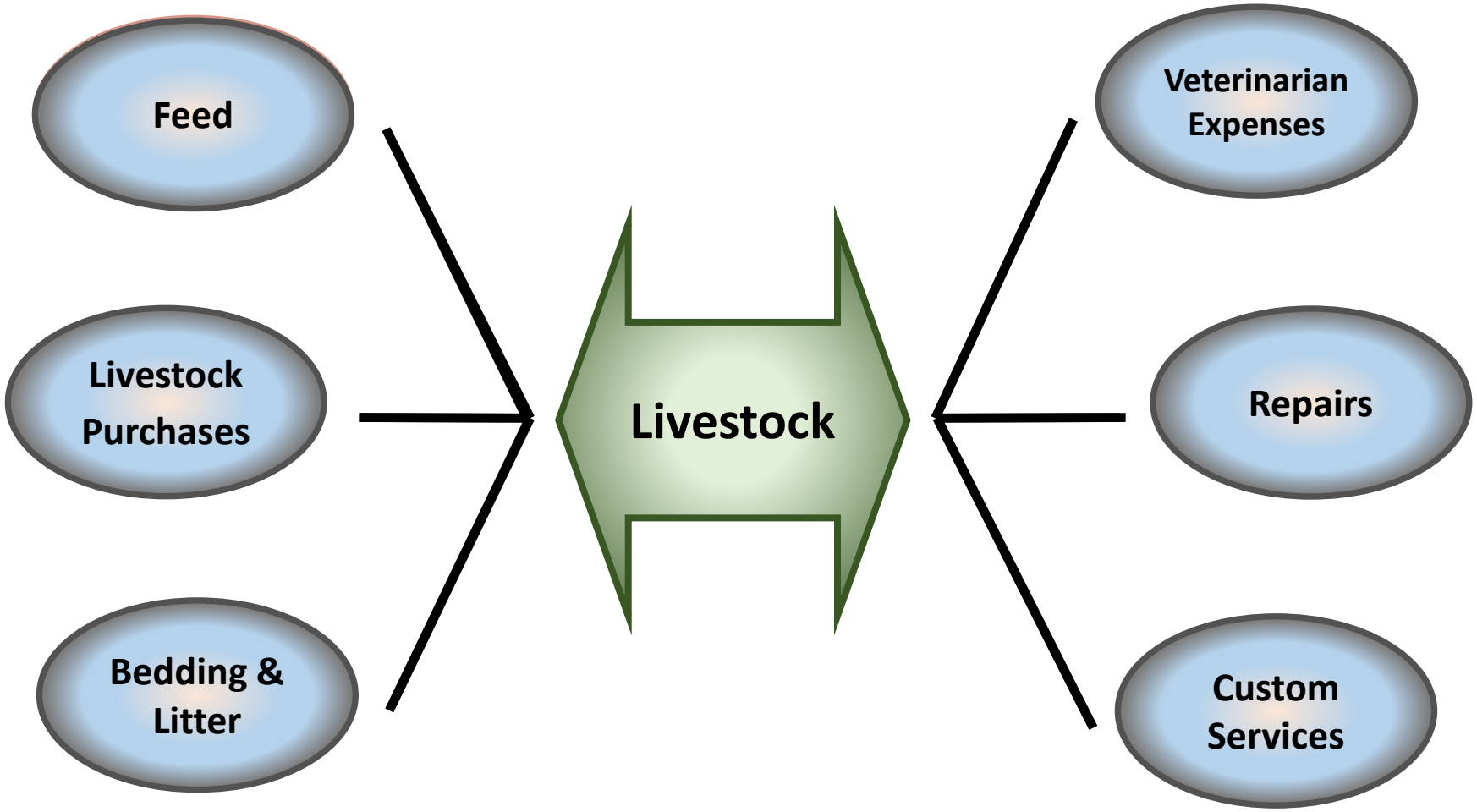
OPERATING EXPENSES in 2023

		None	Dollars
48. 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.)*	0601	☐	$ .00
49. nutrients, fertilizer, lime, and soil conditioners? *(**Include** cost of custom application and organic materials. **Exclude** potting mixes, vermiculite, and sterilized soil.)*	0607	☐	$ .00
50. agricultural chemicals and biocontrols for crops, livestock, poultry, and general farm use? *(**Include** biological pest controls and custom application costs.)*	0613	☐	$ .00
51. property taxes on real estate (land and buildings)? *(**Include** real estate taxes on the producer's dwelling, if owned by the operation)*	0745	☐	$ .00
52. Marketing and storage expenses incurred by this operation? *(**Include** check-off, commissions, storage, inspection, ginning, etc. Include marketing expenses for contract sales.)*	0869	☐	$ .00
53. All other landlord expenses → *Please specify.* 2668	2669	☐	$ .00

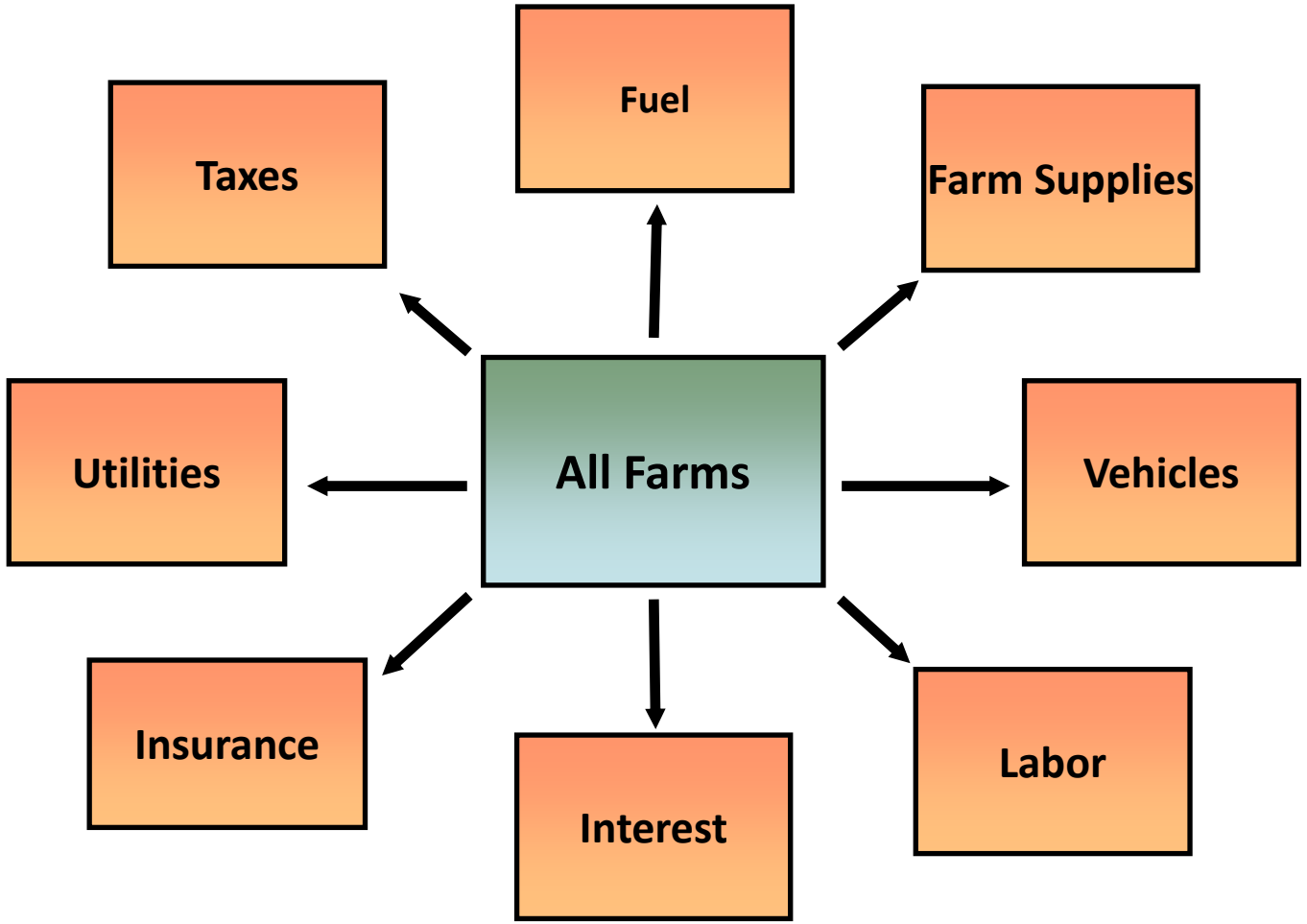
Data Relationships – Crop Operations



Data Relationships – Livestock Operations



Data Relationships – All Farms



Data Relationships – EXAMPLES

- ***Debt Reported in Section K?*** Should have Interest expenses in item 19
- ***Paid Labor Hours Reported in Section L?*** Cash Wages in items 24 & 25
- ***Land Owned in Section A?*** Real estate taxes in Item 20
- ***Land Rented in Section A?*** 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

SCHEDULE F (Form 1040)
Department of the Treasury
Internal Revenue Service

Profit or Loss From Farming

Attach to Form 1040, 1040-SR, 1040-SS, 1040-NR, 1041, or 1065.
Go to *www.irs.gov/ScheduleF* for instructions and the latest information.

OMB No. 1545-0074
2023
Attachment Sequence No. 14

Part II **Farm Expenses—Cash and Accrual Method.** Do not include personal or living expenses. See instructions.

10	Car and truck expenses (see instructions). Also attach **Form 4562**	10		23	Pension and profit-sharing plans	23	27
11	Chemicals	11	3	24	Rent or lease (see instructions):		
12	Conservation expenses (see instructions)	12		a	Vehicles, machinery, equipment	24a	21
13	Custom hire (machine work)	13	29b	b	Other (land, animals, etc.)	24b	5, Sec A: 6
14	Depreciation and section 179 expense (see instructions)	14	23	25	Repairs and maintenance	25	14 – 16
15	Employee benefit programs other than on line 23	15	27	26	Seeds and plants	26	1
16	Feed	16	6	27	Storage and warehousing	27	34
17	Fertilizers and lime	17	2	28	Supplies	28	13
18	Freight and trucking	18	29a	29	Taxes	29	20, 26
19	Gasoline, fuel, and oil	19	9	30	Utilities	30	10 – 12
20	Insurance (other than health)	20	18	31	Veterinary, breeding, and medicine	31	8
21	Interest (see instructions):		19a	32	Other expenses (specify):		
a	Mortgage (paid to banks, etc.)	21a		a	Bedding and Litter for Livestock	32a	7
b	Other	21b	19b	b	Vehicle Registration and Licensing	32b	22
22	Labor hired (less employment credits)	22	24, 28, 30	c	Farm Management Services	32c	32
				d	Other General Expenses	32d	33
				e	All Other Operating Expenses	32e	47
				f		32f	

Summary and Highlights

- All farms and ranches have expenses.
- Difference between Operating and Capital Expenses.
- 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.

Click Here
to return to
topic list

Sections J & K

Farm Assets & Debt

Hernan Ortiz
Statistician - Northeastern Region

Farm Equity Purpose

Why so much detail on a $ensitive $ubject?

- A ***complete*** and ***accurate*** **financial picture** of the **agricultural sector** requires wealth measurement via the balance sheet
- Equity = assets - debt
- Provides more detailed picture of the sector balance sheet's strengths and weaknesses

Farm Equity Purpose (continued)

- To evaluate credit and lending conditions in the farm sector
- Many of the current financial concerns about agriculture involve asset (land values) and debt repayment
- Without good data, lenders may be too cautious and leave farmers with fewer borrowing opportunities
- Needed by:
  - Lenders
  - Input providers
  - Policymakers

Fair Market Value

Fair Market Value – price for which the assets could be sold under the market conditions existing at the specified date

- Assumes that buyers and sellers exist
- Assumes no unusual circumstances

Value may be available by respondent from:

- Net worth statements from loans
- Business financial statement

Asset Ownership

We collect the Fair Market Value of specific assets owned by

- the operation (or corporation)

What if the assets are owned by the farmer?

- Report it under the household Section N

What if assets are used in multiple operations?

- Asset belongs to operation that uses it the most

Farm Assets – Land and Buildings

SECTION J FARM ASSETS

1. What was the MARKET VALUE of the following assets OWNED by this operation on December 31
*(**Include** owned assets on rented land.)*

			None	
a.	farm producer's dwelling, if **owned by the operation**? *(Owned by the operation means the house is recorded as an asset in farm record books or deeded as part of the farm.)*	0850	☐	$ .00
b.	all other dwellings?	0851	☐	$ .00
c.	all other farm buildings and structures? *(**Include** barns and other livestock facilities, cribs, grain bins, greenhouses, silos, storage sheds, fences, corrals, etc.)*	0852	☐	$ .00
d.	orchard trees and vines, nursery trees, and trees grown for woody crops?			.00
e.	oil, gas, and mineral rights	7101	☐	$ .00
f.	land? *(**Include** land rented to others. **Exclude** houses, buildings, orchard trees and vines, and trees grown for woody crops.)*			

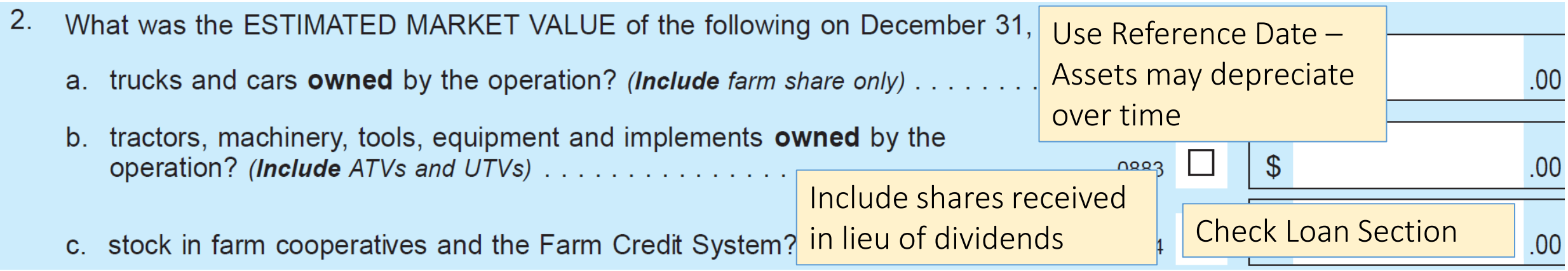
If living "off-farm" pay attention to the ownership, asset may belong to the household

All the homes owned by the farm – empty or occupied

Separate orchard crops from the land they are on.

Include all the acres recorded in Section A, item 1 even if rented out

Vehicles and Machinery

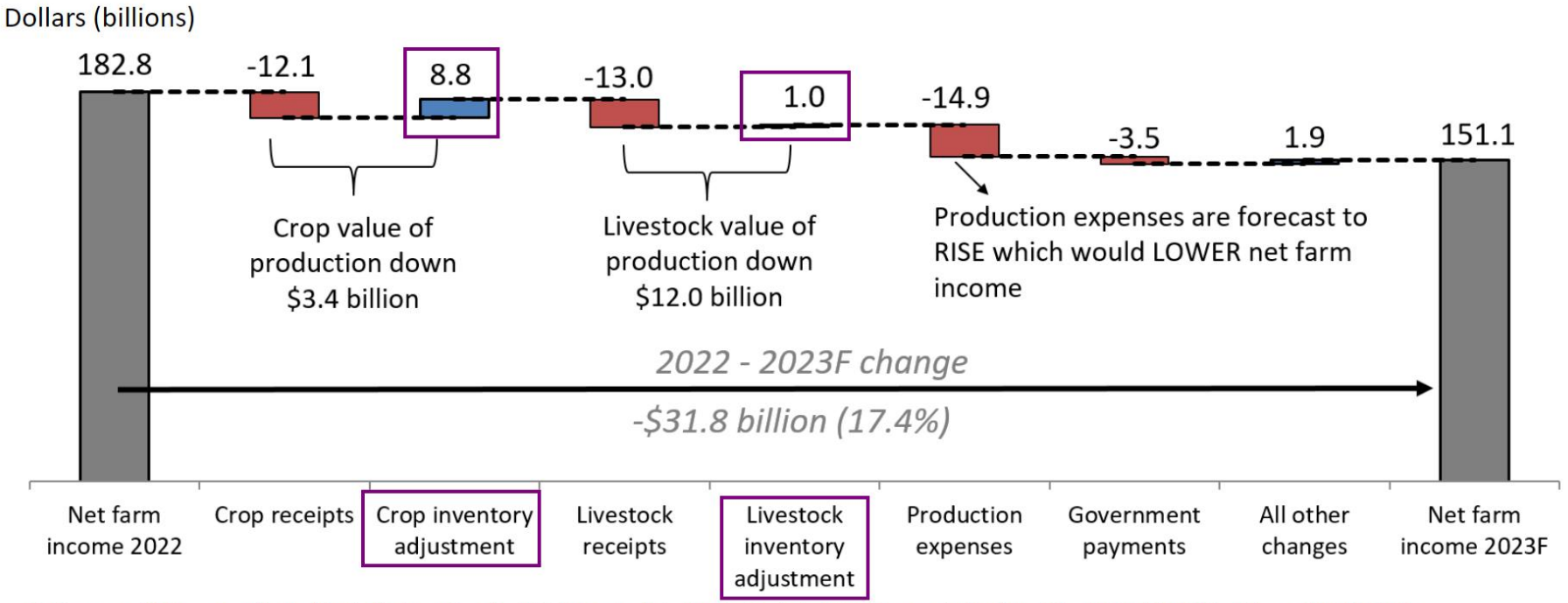


- Values dependent on farm type and size
- If equipment is expected but not reported, check for expenses on leased equipment

Assets – Jan 1 and Dec 31

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

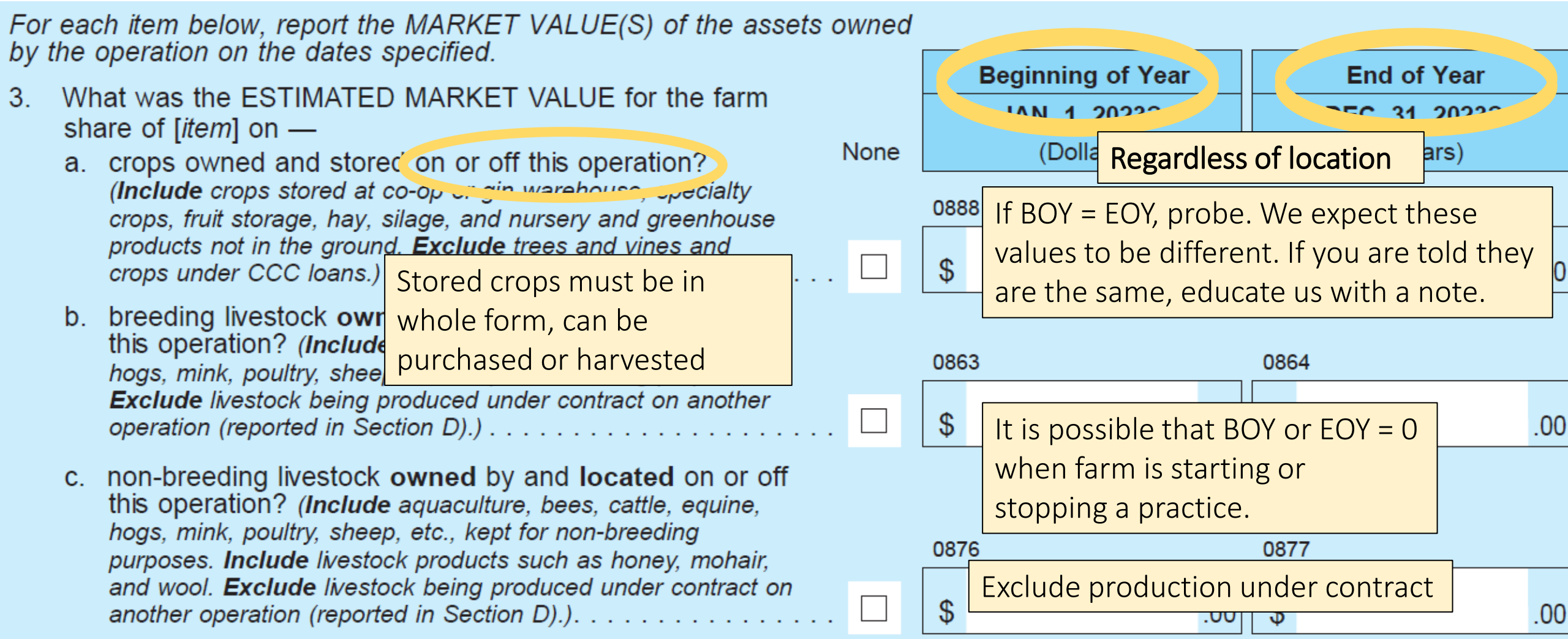
		Beginning of Year	End of Year
		JAN. 1, 2023?	DEC. 31, 2023?
3.	What was the ESTIMATED MARKET VALUE for the farm share of [*item*] on —	(Dollars)	(Dollars)
	a. crops owned and stored on or off this operation? None		



Net Farm Income looks at changes in inventory

F= Forecast. 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 2023 by USDA, Economic Research Service.
Source: USDA, Economic Research Service, Farm Income and Wealth Statistics. Data as of November 30, 2023.

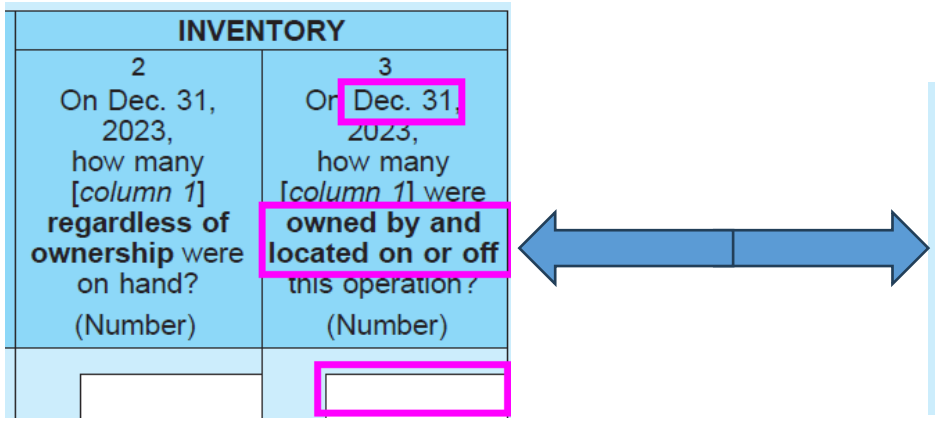
Assets - Crop and Livestock



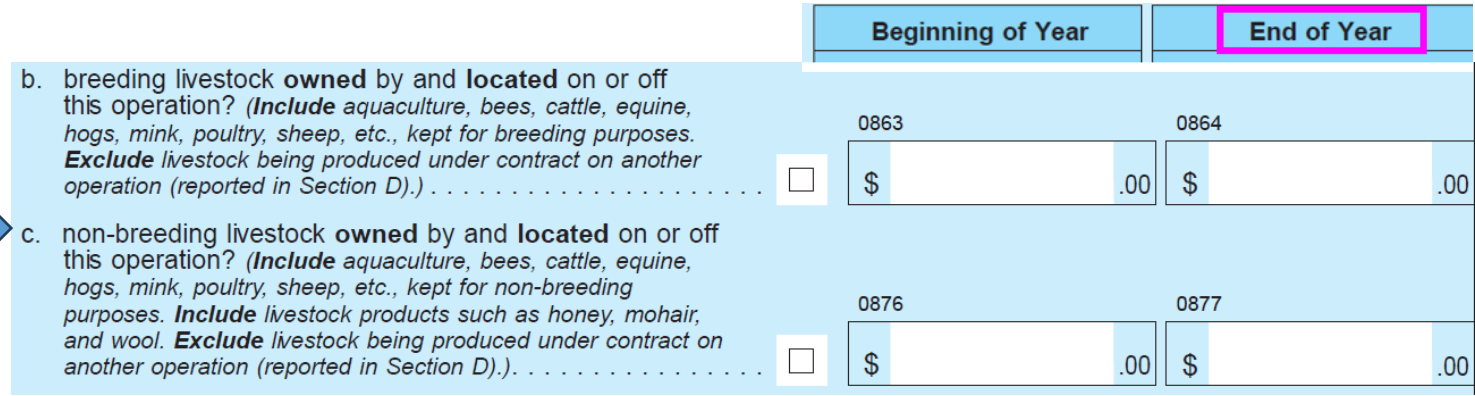
Assets - Livestock

Make sure data across sections make sense

- Asset Section J – December 31 owned
- Livestock Section C – December 31 owned



INVENTORY	
2 On Dec. 31, 2023, how many [*column 1*] **regardless of ownership** were on hand? (Number)	3 On Dec. 31, 2023, how many [*column 1*] were **owned by and located on or off** this operation? (Number)



	Beginning of Year	End of Year
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.* ***Exclude*** *livestock being produced under contract on another operation (reported in Section D).)* ☐	0863 $ .00	0864 $ .00
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.* ***Exclude*** *livestock being produced under contract on another operation (reported in Section D).)* ☐	0876 $ .00	0877 $ .00

- Livestock operations may have animals at separate locations based on age

Assets – Livestock Exclusions

Livestock Assets – Jan 1 and Dec 31

- Exclude livestock not owned, including raised under contract
- Exclude livestock raised by another farm under a contract
- Exclude livestock owned for pleasure (except equine)

SECTION D OTHER OPERATIONS GROWING, FEEDING, or RAISING LIVESTOCK FOR THIS OPERATION

3 What was the market value of [*type*] on hand on contractee operations on Jan. 1, 2023? (Dollars)	7 On Dec. 31, 2023 what was the market value of unsold [*type*] remaining under contract? (Dollars)

≠

		Beginning of Year	End of Year
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.* ***Exclude*** *livestock being produced under contract on another operation (reported in Section D).)*	☐	0863 $ .00	0864 $ .00
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.* ***Exclude*** *livestock being produced under contract on another operation (reported in Section D).)*	☐	0876 $ .00	0877 $ .00

Assets - Production Inputs

Production inputs are divided based on

- 3d - “Paid and waiting to be used”
- 3e - “Paid and already used”
  - These are ‘sunk costs’ and lead to a potential asset or income
  - May be reflected on expenses section this year or previous year
  - If unaccounted for: expenses with no corresponding income or assets
  - Can apply to contractees not yet reimbursed

d. production inputs **owned** by this operation, such as processed feed, fertilizer, chemicals, fuels, parts, purchased seed and other supplies? . . . . . .

e. 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? . . . . . .

Liquid Assets

- Can farmers convert assets to cash?
- Includes liquid and semi-liquid assets
- Almost every producer should have some other farm assets.
  - Cash, bonds, CDs, savings, checking accounts
  - Hedging account balances
  - Government payments due
  - Balance of land contract sales
  - Money owed to the operation outside Section F
  - Quotas and allotments (if excluded from item 1)
  - Livestock products stored but not sold (milk before hauling)

Debt Section K

SECTION K **FARM DEBT**

1. Was debt used in funding the operation of this farm/ranch in 2023, including any loans obtained in earlier years? *(**Include** seasonal production and other loans taken and repaid during 2023.)*

1080 1 ☐ **Yes** - *Continue* 3 ☐ **No** - *Go to Item 5*

Do not skip entire section K

- Debt is recorded only once in the questionnaire
  - Farm debt : Section K
  - Household debt : Section N
- Include previous year debt not paid off by January 1
- Include amounts used from established lines of credit
- Include all loans taken out in current year, regardless if repaid

Operating Loans

2.	What was the total amount repaid on farm business loans taken out in 2023? (Record any outstanding balances of loans taken out in 2023 in Item 3.) (***Include only*** *seasonal production and other short term farm loans.*) 0890	None ☐	Dollars $ .00

- Item 2 is for loans repaid during the reference year, commonly referred to as “operating loans”
- Loans repaid but not in their entirety during current year belong in Item 3

Debt Table

3. To estimate the financial position of farms correctly and their ability to service debt and to categorize debt by types, we need to list loans this operation had on December 31, 2023, including any line of credit. *(**Include** farm/ranch loans, debt on the producer's house if owned by the operation, Economic Injury Disaster Loans (EIDL), and multi-purpose loans used for both farm and non-farm purposes. **Exclude** CCC commodity loans and any loans used exclusively for non-farm purposes.*

What loans belong in the debt table?

- Loans not fully repaid from Question 2
- Loans with a positive Dec 31 balance

Having a 0 balance on Dec 31 - disqualifier

Having a 0 balance on Jan 1 is OK

2	3
What was the balance owed on January 1, 2023 including outstanding principal plus unpaid interest?	What was the balance owed on Dec. 31, 2023 including outstanding principal plus unpaid interest? Must be Positive
(Dollars)	(Dollars)
1050	1002
$ .00	$ .00

Debt Table

1 Who is the lender? [*From Lender Codes Above.*] (Code)	2 What was the balance owed on January 1, 2023 including outstanding principal plus unpaid interest? (Dollars)	3 What was the balance owed on Dec. 31, 2023 including outstanding principal plus unpaid interest? (Dollars)	4 What was the interest rate on Dec. 31, 2023? [*Report in hundredths of a percent. **Example: 9% = 09.00***] (Percent)	5 What is the type of loan? [*From Loan Type Codes Above.*] (Code)	6 What year was it obtained? [*For refinanced loans, report year refinanced*] (Year) (YYYY)	7 What is the original term of the loan? (Number of Years)	8 What percentage is for expenses of running this farm operation? (Percent)
1001	1050	1002	1003	1004	1005	1008	1006
	$ .00	$ .00	.				%
1010	1051	1011	1012	1013	1014	1017	1015
	$ .00	$ .00	.				%
1019	1052	1020	1021	1022	1023	1026	1024
	$ .00	$ .00	.				%
1028	1053	1029	1030	1031	1032	1035	1033
	$ .00	$ .00	.				%
1037	1054	1038	1039	1040	1041	1044	1042
	$ .00	$ .00	.				%

Record their 5 largest loans first.

4. 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, 2023? (***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.)* 1047

None ☐

Dollars: $ .00

Rest goes here

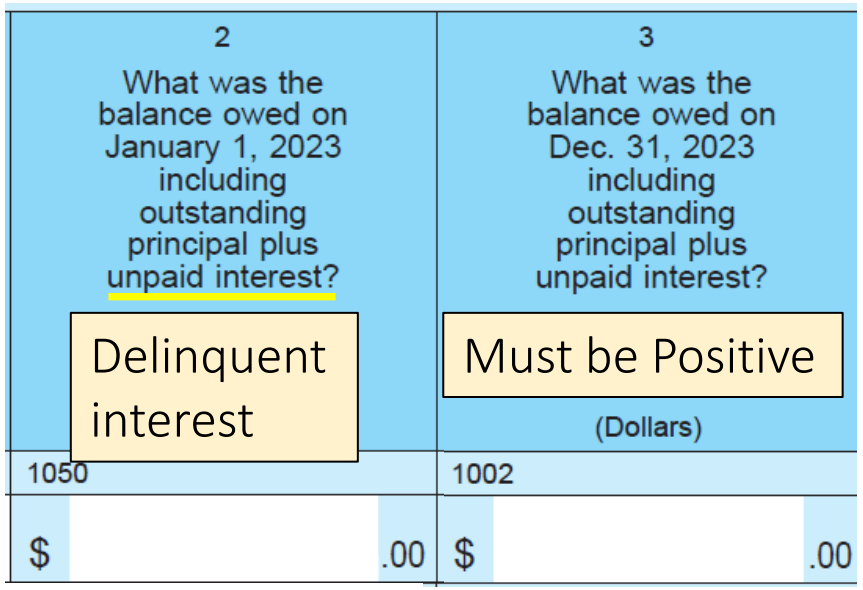
Debt Table – Lender Type

Lender Codes (*Column 1*)	
Lender	**Code**
FARM CREDIT SYSTEM	1
USDA Farm Service Agency (FSA)	2
Small Business Administration (SBA)	3
State & county government lending agencies	4
Savings and loan associations, residential mortgage lenders	5
Commercial banks	6
Life insurance companies	7
Trade credit, including input suppliers, implement dealer, co-ops and other merchants	8

Lender Codes (*Column 1*) (continued)	
Lender	**Code**
Contractor	9
Individuals	10
Credit Union	11
Any other lenders	12
Credit cards	13
Other debts (*such as unpaid bills, etc.*)	14

- You can have same lender code for multiple loans
- Loans through private lenders but guaranteed by FSA – not FSA code
- Loans borrowed from life insurance company – Code 7
- Loans borrowed against life insurance policies – Code 14 ‘other debts’
- Unpaid bills – Code 14 ‘other debts’

Debt Table – Balance

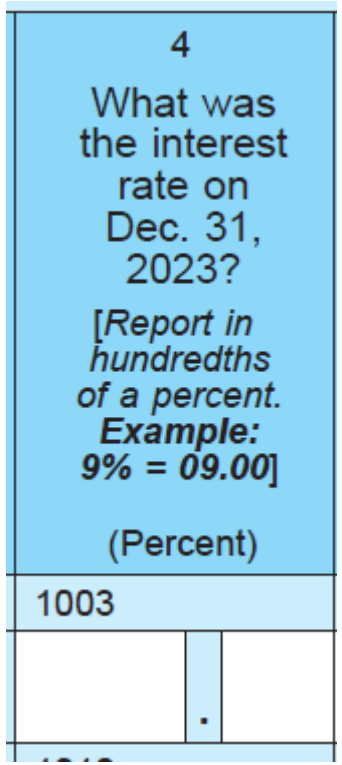


2	3
What was the balance owed on January 1, 2023 including outstanding principal plus unpaid interest?	What was the balance owed on Dec. 31, 2023 including outstanding principal plus unpaid interest?
Delinquent interest	Must be Positive
	(Dollars)
1050	1002
$ .00	$ .00

- We report the balance owed at the beginning and end of year
- Remember that December 31 balance must be positive
- No need to determine interest owed for remainder of the loan

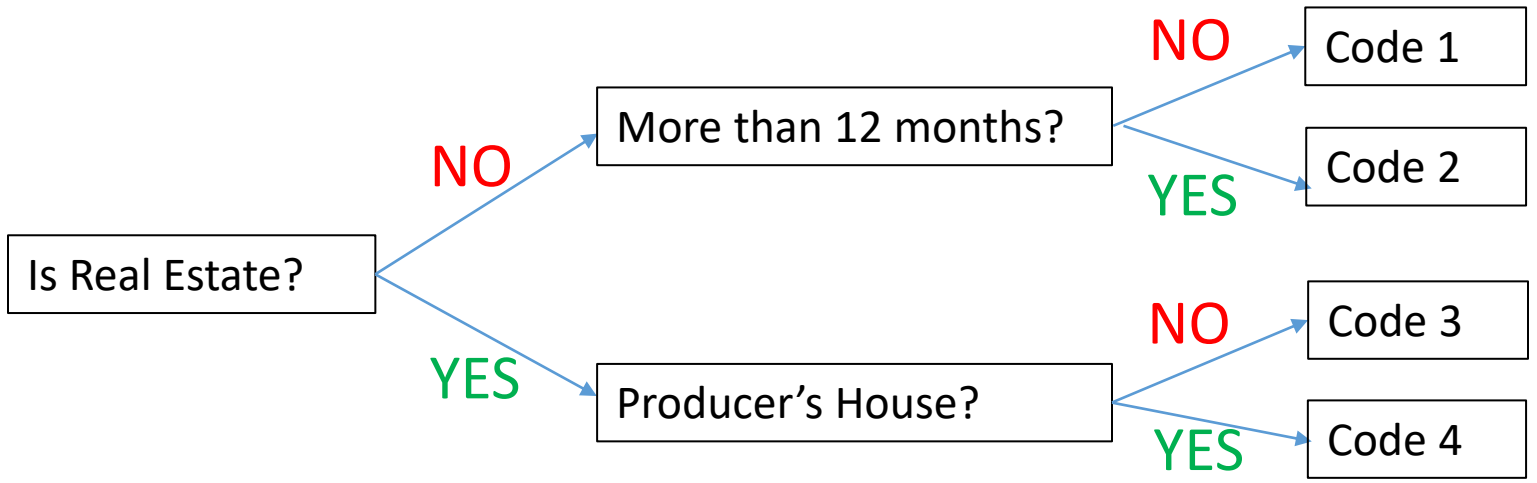
Debt Table – Interest Rate

- Interest rate reported to the hundredth of a percent
- Interest rate as of December 31
- You can have debt recorded with zero percent
  - Common with short term financing
  - Common with debt owed to family members



Debt Table – Loan Types

- Line of credit balances often designated as ‘production loans’, seasonal to finance production then repaid after sales
- To determine the code, asking 1 characteristic at a time may help:



Loan Type Codes (*Column 5*)

Type	Code
One year or less production or other loans	1
Non-real estate loan more than one year	2
Real estate loans more than one year **excluding** producer’s house	3
Real estate loan more than one year only for the producer’s house.	4

Debt Table – Year and Term

Column 6 - Enter the 4-digit year the loan was obtained

- If refinanced, enter year loan was refinanced instead

Column 7 - Enter # of years of the original term of loan

- Minimum = 1 (round up as needed)
- If refinanced, enter # of years for which it was refinanced

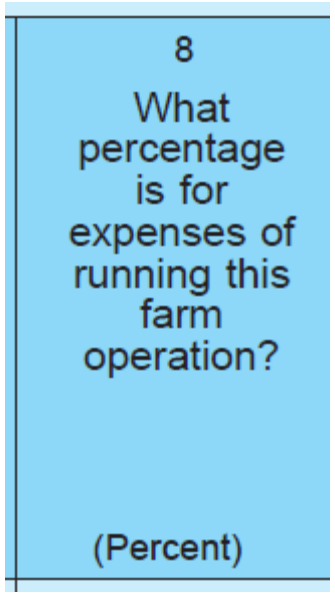
6	7
What year was it obtained? [*For refinanced loans, report year refinanced*] (Year) (YYYY)	What is the original term of the loan? (Number of Years)

Debt Table – Column 8

We determine % of loan used for the farm operation

- Commonly 100%
- If operation owns a residence, debt on residence is valid

Duplication Warning - The purpose is to exclude non-farm purposes relating to debt



Where does this debt belong?

New 30-year loan used to finance farmland

- Item 2 – does not belong
- Item 3 table
- New debt will have no column 2, BOY value

2. What was the total amount repaid on farm business loans taken out in 2023? (Record any outstanding balances of loans taken out in 2023 in Item 3.)
(***Include only*** *seasonal production and other short term farm loans.*) . . . . . .

1 Who is the lender? [*From Lender Codes Above.*] (Code)	2 What was the balance owed on January 1, including outstanding principal plus unpaid interest? (Dollars)	3 What was the balance owed on Dec. 31, including outstanding principal plus unpaid interest? (Dollars)	4 What was the interest rate on Dec. 31, ? [*Report in hundredths of a percent.* ***Example: 9% = 09.00***] (Percent)	5 What is the type of loan? [*From Loan Type Codes Above.*] (Code)	6 What year was it obtained? [*For refinanced loans, report year refinanced*] (Year) (YYYY)	7 What is the original term of the loan? (Number of Years)	8 What percentage is for expenses of running this farm operation? (Percent)
1001	1050	1002	1003	1004	1005	1008	1006
6	$ 0 .00	$ 395500 .00	3 . 25	3	2023	30	100 %
1010	1051	1011	1012	1013	1014	1017	1015

Where does this debt belong?

Loans used to finance farm equipment

Variable interest rate averaging 5%, was 4.25% on Dec 31

- Item 3 table

1 Who is the lender? [*From Lender Codes Above.*] (Code)	2 What was the balance owed on January 1, including outstanding principal plus unpaid interest? (Dollars)	3 What was the balance owed on Dec. 31, including outstanding principal plus unpaid interest? (Dollars)	4 What was the interest rate on Dec. 31, ? [*Report in hundredths of a percent.* ***Example: 9% = 09.00***] (Percent)	5 What is the type of loan? [*From Loan Type Codes Above.*] (Code)	6 What year was it obtained? [*For refinanced loans, report year refinanced*] (Year) (YYYY)	7 What is the original term of the loan? (Number of Years)	8 What percentage is for expenses of running this farm operation? (Percent)
1001	1050	1002	1003	1004	1005	1008	1006
8	$ 17500 .00	$ 11860 .00	4 . 25	2	2020	5	100 %

Where does this debt belong?

Seasonal production loan of less than 1 year was taken out current year

- Item 2 – what was already repaid on loan
- Item 3 table – includes end of year balance

2. What was the total amount repaid on farm business loans taken out in 2023? (Record any outstanding balances of loans taken out in 2023 in Item 3.) (***Include only*** *seasonal production and other short term farm loans.*) 0890	None ☐	Dollars $ 25000 .00

Who is the lender? [From Lender Codes Above.] (Code)	What was the balance owed on January 1, including outstanding principal plus unpaid interest? (Dollars)	What was the balance owed on Dec. 31, including outstanding principal plus unpaid interest? (Dollars)	What was the interest rate on Dec. 31, ? [Report in hundredths of a percent. ***Example: 9% = 09.00***] (Percent)	What is the type of loan? [From Loan Type Codes Above.] (Code)	What year was it obtained? [For refinanced loans, report year refinanced] (Year) (YYYY)	What is the original term of the loan? (Number of Years)	What percentage is for expenses of running this farm operation? (Percent)
1001	1050	1002	1003	1004	1005	1008	1006
8	$ 0 .00	$ 150000 .00	1 . 75	1	2023	1	100 %

Where does this debt belong?

Seasonal production loan of less than 1 year was taken out current year **and fully repaid**

- Item 2 – repayment amount on loan

  Not item 3

2. What was the total amount repaid on farm business loans taken out in 2023? (Record any outstanding balances of loans taken out in 2023 in Item 3.) (***Include only*** *seasonal production and other short term farm loans.*) 0890	None ☐	Dollars $ 25000 .00

Where does this debt belong?

100% non-farm debt – **Does not belong**

The amount of the non-farm debt secured by a farm asset is recorded in **Section N**: Farm Producer Household

OFF-FARM DEBT – *(Please see **VALUE CODES** on page 22.)*

4. Which value code on page 22 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, 2023, for (***Include** off-farm debt secured with farm assets. **Exclude** any debt household debt, credit cards, etc. reported in Section K, Farm Debt.)*

	None	Value Code
a. 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.)* 0988	☐	
b. mortgages on other real estate and other personal homes such as second homes? (***Include** mortgages, equity loans, and lines of credit secured by other real estate, including other farms, residential rental, commercial, and other real estate.)*. 0989	☐	
c. loans on businesses that are not a part of this farm operation?. 1101	☐	
d. personal loans? (***Include** credit cards, auto loans, unpaid taxes, and medical bills.)* 1102	☐	
e. all other off-farm debt owed by the producer or household? 0983	☐	

What percentage is for expenses of running this farm operation?

(Percent)

1006

0 %

Digital Banking

5. In 2023, what type of digital banking services did you use? Choose one. Digital banking refers to the use of either mobile or online banking. Mobile banking means banking with a smartphone, tablet, or other mobile device using an app; online banking means banking through a bank's website using a desktop or laptop computer.

5775

- 1 ☐ Only mobile banking
- 2 ☐ Only online banking
- 3 ☐ Both mobile and online banking
- 4 ☐ Neither mobile nor online banking – *Go to Item 8*

Question applies to business and personal banking

- Online banking - logging in to bank's website using computer
- Mobile banking – accessing bank via an app from mobile device

6. In 2023, for which finances did you use your online or mobile banking? Choose one.

5776

- 1 ☐ Only business finances
- 2 ☐ Only household finances
- 3 ☐ Both business and household finances

Digital Banking

7. The table below is about your use of specific digital banking services.
In column 2, check 'Yes' if you used the digital banking service listed in column 1 in 2023. Check 'No' if you did not use that digital banking service in 2023. If you marked 'Yes' to the service in column 2, answer column 3.

(1)	(2)		(3)	
Service	Did you use the digital banking service?		If **YES**, how has your use of these services changed since 2019? Check only one.	
Online bill pay	5777	1 ☐ **Yes** → 3 ☐ **No**	5778	1 ☐ Use about the **same** amount 2 ☐ Use **more** frequently 3 ☐ Use **less** frequently

The questionnaire then asks usage of digital banking for types of services and how often in-person banking took place

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

Section L: Personal Characteristics and Farm Management

Click Here
to return to
topic list

Caleb Alexander
Northwest Region

Who are the farmers?

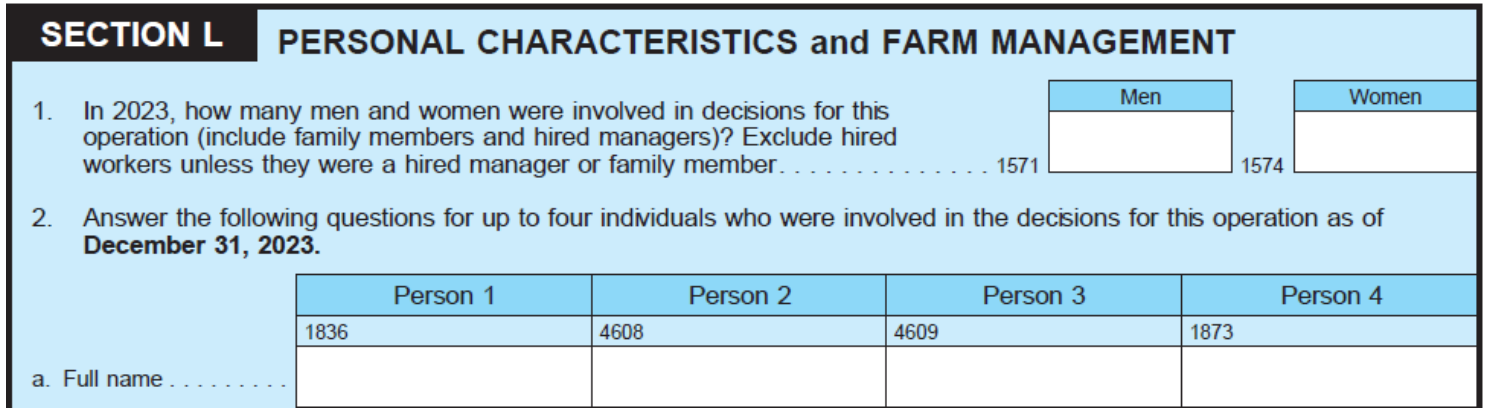
Personal Characteristics…

Goals of this section:

- To gather information on age, gender, education, ethnicity, race, major occupation, and other characteristics of **the individuals involved in agriculture.**

Demographics

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



SECTION L **PERSONAL CHARACTERISTICS and FARM MANAGEMENT**

1. In 2023, how many men and women were involved in decisions for this operation (include family members and hired managers)? Exclude hired workers unless they were a hired manager or family member. 1571

Men		Women
	1574	

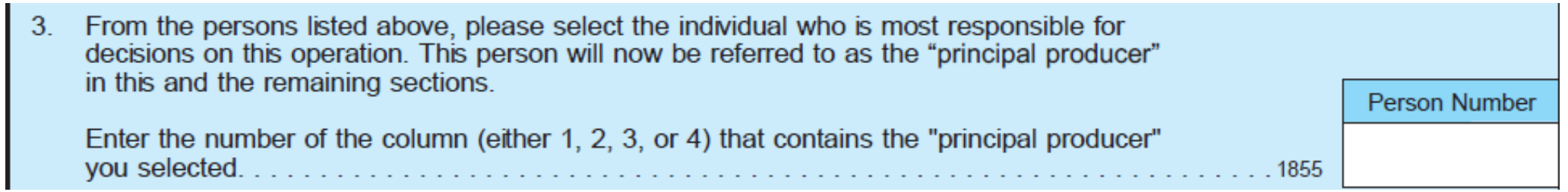
2. Answer the following questions for up to four individuals who were involved in the decisions for this operation as of **December 31, 2023.**

	Person 1	Person 2	Person 3	Person 4
	1836	4608	4609	1873
a. Full name				

- For operations with more than four operators, identify the four most senior operators.

Principal Producer

- ERS produces estimates of farm household income from the principal operator's household.



3. From the persons listed above, please select the individual who is most responsible for decisions on this operation. This person will now be referred to as the "principal producer" in this and the remaining sections.

Enter the number of the column (either 1, 2, 3, or 4) that contains the "principal producer" you selected. 1855

Person Number

- If you enter the spouse into a column, you do not need to do Questions 6 – 10
- Principal producer does not need to be the target from the label.

Farm Management

- 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?
- Question 11 (hours worked): Is captured in weekly hours worked for that operator who has worked a minimum of 1 hour. Multiple workers can be summed into one number (10 workers, 40 hours = 400 weekly).

Farm operator income per household by source and farm type, 2021

Farm type	Mean wealth (dollars)	Mean total income (dollars)	Income from farming		Mean income from off-farm sources (dollars)		
			Mean (dollars)	Percent of house-holds with negative income	Total	Earned	Unearned
Small family farms							
Retirement	1,814,986	74,877	5,052	45	69,825	25,942	43,883
Off-farm occupation	1,781,636	141,761	-315	57	142,075	110,261	31,814
Low sales	1,651,265	83,584	-334	56	83,917	41,869	42,048
Moderate sales	2,792,306	128,255	62,354	17	65,901	35,599	30,302
Midsize family farms	3,975,636	239,971	152,442	14	87,529	58,790	28,740
Large-scale family farms							
Large	6,692,775	556,974	461,413	11	95,561	63,160	32,401
Very large	15,201,685	1,744,401	1,662,892	7	81,508	49,113	32,395
All family farms	2,100,879	135,281	30,821	48	104,460	67,838	36,622

Source: USDA, National Agricultural Statistics Service and USDA, Economic Research Service, 2021 Agricultural Resource Management Survey.

Farm households with income or wealth below the median for all U.S. households, 2021

	Farm households with...	
	Income below U.S. median ($70,784)	Wealth below U.S. median ($132,037)
	Percent of farm households	
	Small family farms	
Retirement	56.2	2.3
Off-farm occupation	24.0	1.8
Low sales	53.9	2.4
Moderate sales	25.9	3.4
Midsize family farms	16.9	4.1
	Large-scale family farms	
Large	12.1	3.4
Very large	7.9	2.5
All family farms	37.7	2.4

Source: USDA, National Agricultural Statistics Service and USDA, Economic Research Service, 2021 Agricultural Resource Management Survey. U.S. Department of Commerce, Bureau of the Census, 2021 Current Population Survey data; and the Federal Reserve Board, Board of Governors in cooperation within the U.S. Department of the Treasury, 2019 Survey of Consumer Finances.

Click Here
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topic list

Section M: Type of Organization

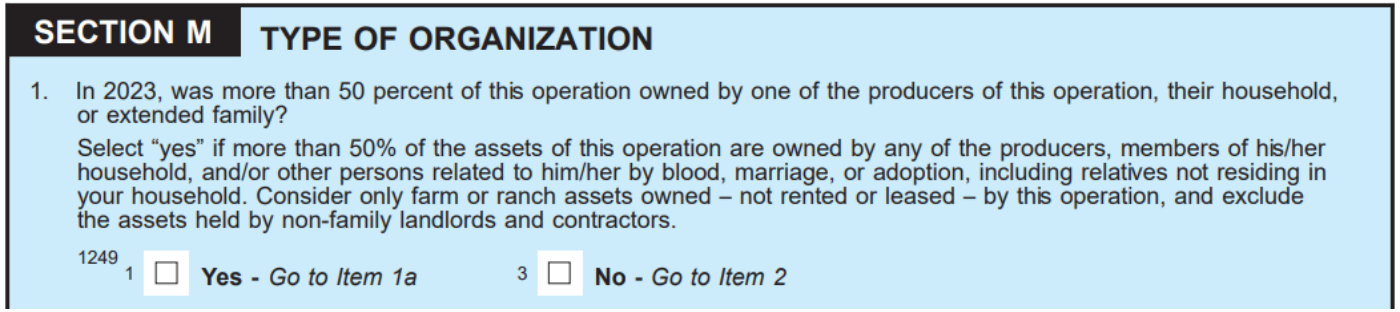
Hunter Peoples
Mountain Region

Why Do We Ask This?

- Over the nation's history, farms have gotten larger and more sophisticated
- The traditional "one farm, one farmer, one household" concept became inadequate
- ERS examines changes to the tax code and the potential impacts on agribusinesses
- A farm's legal structure determines how benefits are distributed

Is This a Family Farm?

- **Family Farm** = At least 50% of the operation's assets are owned by the principal producer or those related by blood, marriage, or adoption
- **<u>Not</u> a Family Farm** = More than 50% of the operation's assets are owned by people unrelated to the principal producer, household members or relatives



SECTION M **TYPE OF ORGANIZATION**

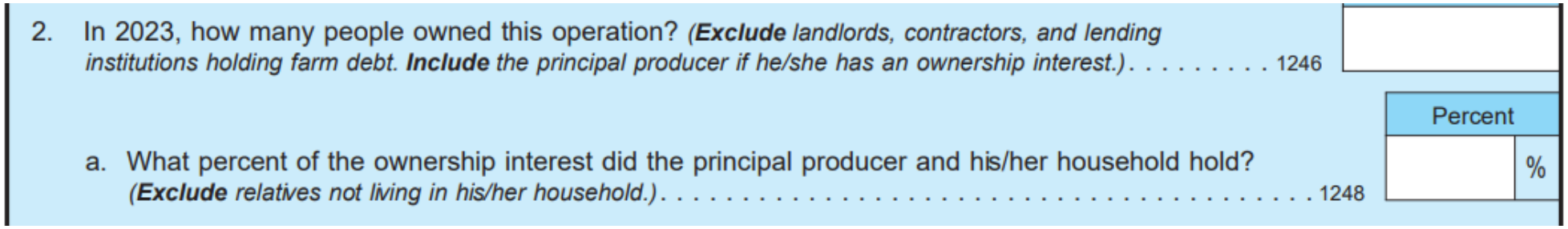
1. In 2023, was more than 50 percent of this operation owned by one of the producers of this operation, their household, or extended family?

   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** - *Go to Item 1a* 3 ☐ **No** - *Go to Item 2*

How Many Owners?

- Question 2 asks how many people own the operation, including those outside the operator's household
  - Based on the operation's assets
  - Exclude landlords, contractors, and lenders
- Question 2a is asking the percentage that the principal producer and their household own



2. In 2023, 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.)* 1246

Percent

a. What percent of the ownership interest did the principal producer and his/her household hold? (***Exclude*** *relatives not living in his/her household.)* . . . . . 1248 %

An Operation's Legal Status

4. In 2023, what was this operation's legal status for tax purposes *(select only one)*?

1240 1 ☐ Family or individual operation *(**Exclude** partnerships and corporations.)*

2 ☐ Legal partnership operation *(**Include** family partnerships.)*

➡ a. Is this partnership registered under State law? . . . . . 1204 1 ☐ **Yes** 3 ☐ **No**

➡ b. How many partners are there in this operation? . . . . . 1232 | Number |

3 ☐ C-Corporation

4 ☐ S-Corporation

5 ☐ 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 2023?

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 2023? *(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 N.*] . . . . . 0975 | Dollars | $ .00 |

Legal Status Definitions

- **Family Operation:** No partners or shareholders; regarded as self-employed and taxed as such

- **C-Corporation:** Owners and shareholders are taxed separately from the entity at the corporate level

- **S-Corporation:** Small business entity taxed like a partnership or sole proprietor

Legal Status Definitions

- **Limited Liability Company (LLC):** Provides limited liability for owners at the state level.
  - An LLC with a single member may be considered an individual operation for tax purposes, unless said member is a corporation
    - In this case, the operation should be classified as a C-Corp or S-Corp
  - Example: If a married couple owns an operation, they should be considered a sole-proprietorship, unless it is legally organized as a partnership or corporation

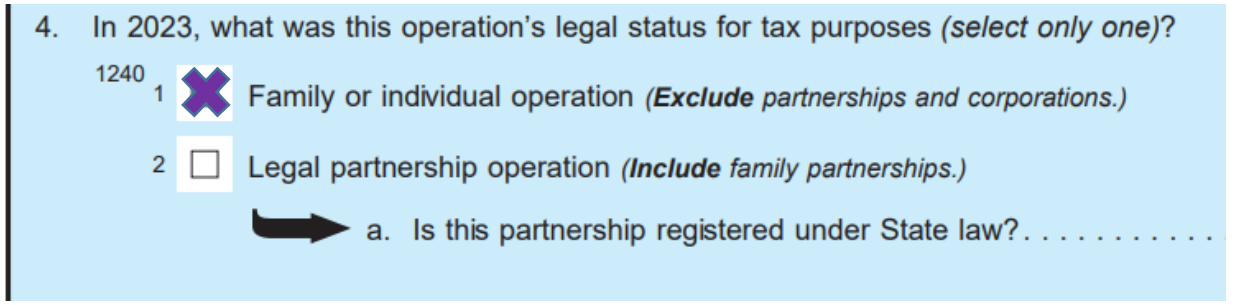
Share of the Net Farm Income

- Question 7 asks what percent of the net farm income the principal producer and their household entitled to
  - If they own more than 50% of the assets, then they should receive more than 50% of the net income
- Expect an answer when it's family operation, legal partnership or an LLC

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 2023? *(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	
		%

Example #1

- A married couple are owner operators, with no other partners
- Their operation is classified as a non-LLC family operation
- They own 100% of the farm and are entitled to receive 100% of the NFI
- How would Section M be filled out?



4. In 2023, what was this operation's legal status for tax purposes *(select only one)*?

1240 1 ☒ Family or individual operation *(**Exclude** partnerships and corporations.)*

2 ☐ Legal partnership operation *(**Include** family partnerships.)*

→ a. Is this partnership registered under State law? . . . . . .

2. In 2023, 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.)* 1246

Number
2

a. What percent of the ownership interest did the principal producer and his/her household hold? (***Exclude*** *relatives not living in his/her household.)* 1248

Percent	
100	%

5. In 2023, 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

Number

6. Is this operation a C-Corporation or an LLC that chose to file as a C-Corporation in 2023?

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 2023? *(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 N.*] 0975

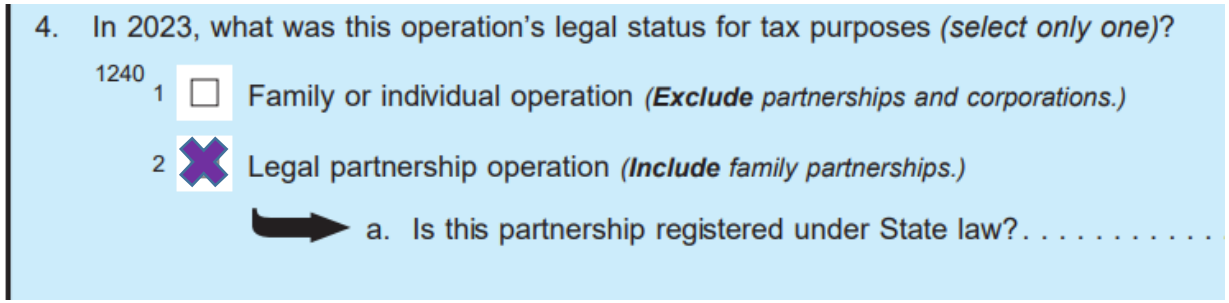
Dollars	
$	.00

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 2023? *(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	
100	%

Example #2

- Two operators are unrelated by blood, marriage, or adoption
- Their operation is classified as a legal partnership
- One of them is sharing in the Net Farm Income
- How would Section M be filled out?


4. In 2023, what was this operation's legal status for tax purposes *(select only one)*?

1240 1 ☐ Family or individual operation *(**Exclude** partnerships and corporations.)*

2 ☒ Legal partnership operation *(**Include** family partnerships.)*

→ a. Is this partnership registered under State law? . . . . . .

2. In 2023, 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.)* 1246

Number
2

a. What percent of the ownership interest did the principal producer and his/her household hold? *(**Exclude** relatives not living in his/her household.)* 1248

Percent	
50	%

5. In 2023, 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 [X] **Yes** - *Continue* 3 [ ] **No** - *Go to Item 6*

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

Number
1

6. Is this operation a C-Corporation or an LLC that chose to file as a C-Corporation in 2023?

1226 1 [ ] **Yes** - *Continue* 3 [X] **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 2023? *(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 N.*] 0975

Dollars	
$	.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 2023? *(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	%

Conclusion

- A farm's legal structure determines how benefits are distributed
- If more than 50% of an operation's assets are owned by the principal producer or those related to them by blood, marriage, or adoption, then it's a family farm.
- Ask about dividends (Question 6) if the operation is a C-Corp
  - If Yes, then record dividends and **skip** Question 7
- Question 2a asks for the percent of ownership interest the principal producer's household has, Question 7 asks for the percent of NFI that household shares

Click Here to return to topic list

Section N – Farm Producer Household Income, Assets, & Debt

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.
- The average off-farm income of All Farms was $123,223 in 2022, with average earned income of $86,643 from off-farm sources. The average farm income of All farms was $32,852.

Principal farm operator household finances by farm type,* 2022

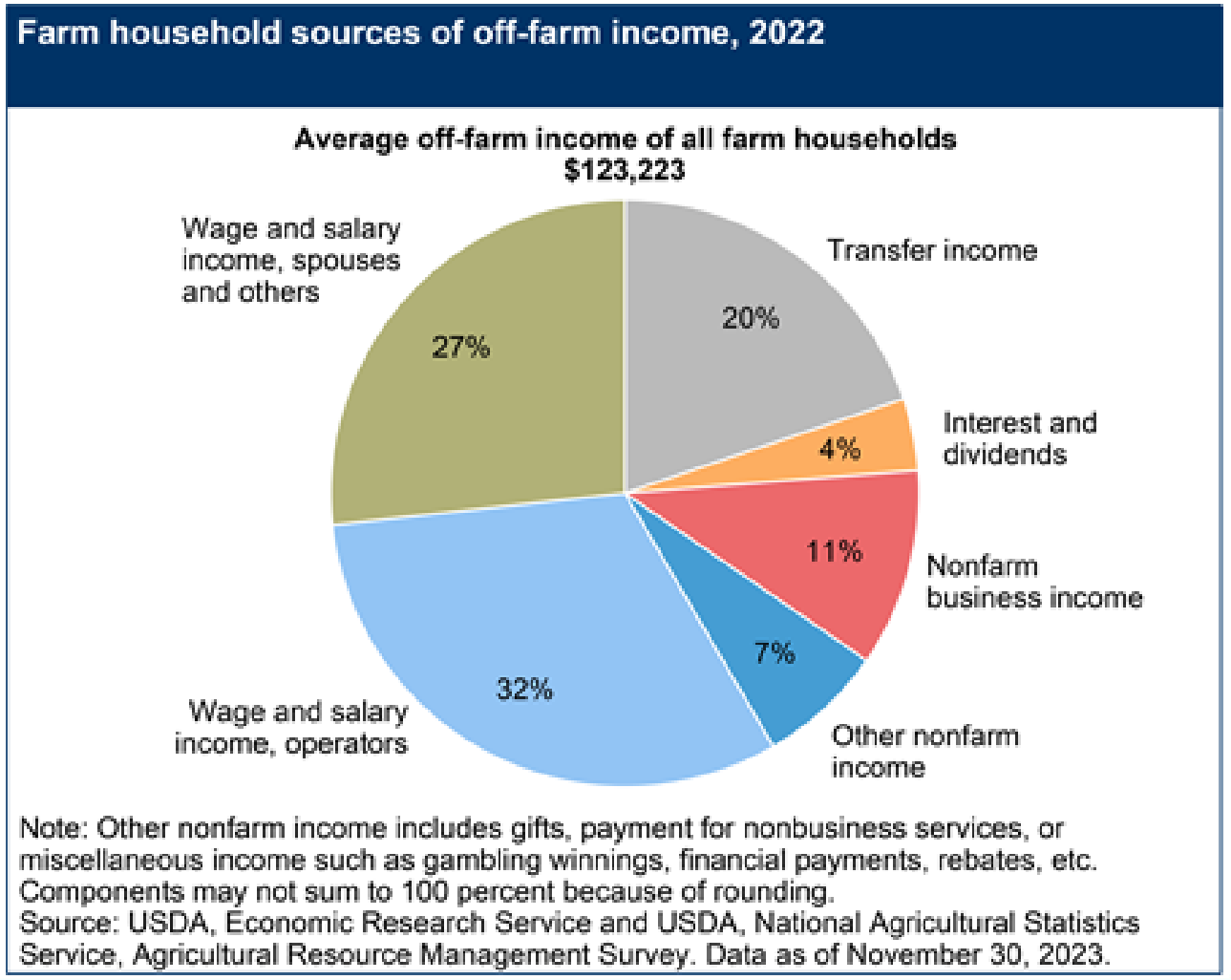
Item	Residence farms	Intermediate farms	Commercial farms	All farms
Number of family farms	1,036,334	720,107	183,531	1,939,972
Farm income (median dollars per household)	-2,370	-125	178,692	-849
Off-farm income (median dollars per household)	113,000	67,519	56,750	81,108
Off-farm income: Earned Income (median dollars per household)	86,500	21,463	25,280	46,574
Off-farm income: Unearned Income (median dollars per household)	32,946	34,534	24,000	33,071
Total household income (median dollars per household)	112,794	73,304	252,728	95,418
Farm income (average dollars per household)	-929	4,081	336,492	32,852
Off-farm income (average dollars per household)	151,385	89,074	98,198	123,223
Off-farm income: Earned Income (average dollars per household)	116,226	49,230	66,399	86,643
Off-farm income: Unearned Income (average dollars per household)	35,159	39,844	31,799	36,580
Total household income (average dollars per household)	150,456	93,154	434,690	156,076

*For details on the farm types, see the USDA, Economic Research Service (ERS) report, Updating the ERS Farm Typology (EIB-110), April 2013.

Source: USDA, Economic Research Service and USDA, National Agricultural Statistics Service, Agricultural Resource Management Survey. Data as of November 30, 2023.

Sources of Off-Farm Income

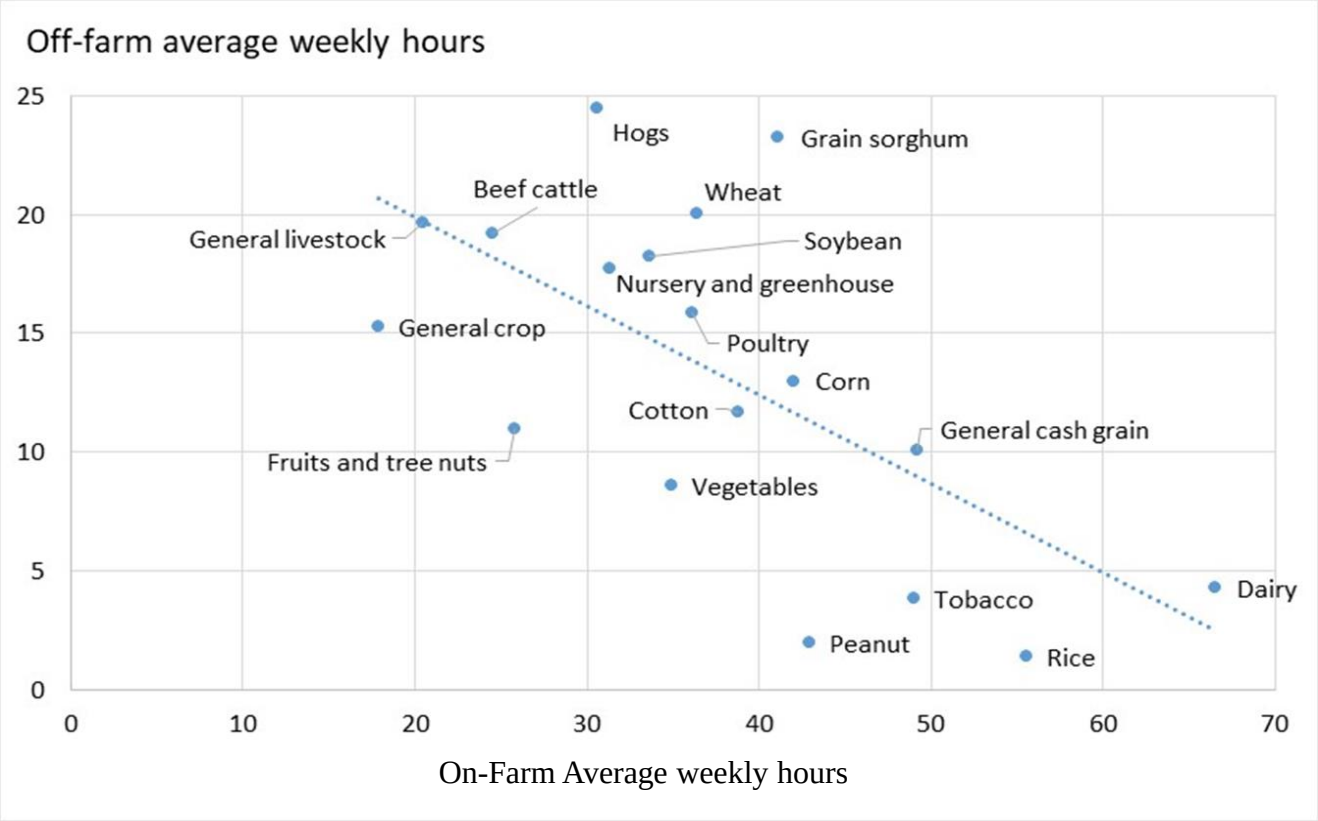
- Wages
  - Operator
  - Household Members
- Nonfarm Businesses
- Transfers
- Other Income



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.

Source: USDA, Economic Research Service and National Agricultural Statistics Service, 2018 Agricultural Resource Management Survey. Data as of November 27, 2019.

Household Income, Assets & Debt

- Whose household?
  - The “Principal Producer”
  - Identified on page 19, Q3
- Do not duplicate with farm books

Dollar Range	Value Code	Dollar Range	Value Code	Dollar Range	Value Code	Dollar Range	Value Code
$0	01	$10,000 – 14,999	10	$80,000 – 99,999	19	$1,000,000 – 1,499,999	28
$1 – 499	02	$15,000 – 19,999	11	$100,000 – 124,999	20	$1,500,000 – 1,999,999	29
$500 – 999	03	$20,000 – 24,999	12	$125,000 – 149,999	21	$2,000,000 – 2,999,999	30
$1,000 – 1,999	04	$25,000 – 29,999	13	$150,000 – 199,999	22	$3,000,000 – 4,999,999	31
$2,000 – 2,999	05	$30,000 – 34,999	14	$200,000 – 274,999	23	$5,000,000 – 7,499,999	32
$3,000 – 3,999	06	$35,000 – 39,999	15	$275,000 – 349,999	24	$7,500,000 – 9,999,999	33
$4,000 – 4,999	07	$40,000 – 49,999	16	$350,000 – 499,999	25	$10,000,000 and over	34
$5,000 – 7,499	08	$50,000 – 59,999	17	$500,000 – 749,999	26		
$7,500 – 9,999	09	$60,000 – 79,999	18	$750,000 – 999,999	27		

1. Use the **value codes** from the box above to answer the questions in Section N. (***Exclude*** *farm income reported earlier.)* Which **value code** represents the total income received by the principal producer, spouse, and household in 2023 from –

SOURCE	PRINCIPAL PRODUCER INCOME (Value Code)		SPOUSE INCOME (Value Code)		TOTAL HOUSEHOLD INCOME (Value Code)	
	None	0950	None	0951	None	0952
a. all off-farm wages, salaries, and tips before taxes and withholdings?	☐	01	☐	12	☐	12

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

Section 22 Topics Covered

- Income
- Spending
- Assets
- Debt

$500 – 999 03	$20,000 – 24,999. 12	$125,000 – 149,999 21	$2,000,000 – 2,999,999 30
$1,000 – 1,999 04	$25,000 – 29,999. 13	$150,000 – 199,999 22	$3,000,000 – 4,999,999 31
$2,000 – 2,999 05	$30,000 – 34,999. 14	$200,000 – 274,999 23	$5,000,000 – 7,499,999 32
$3,000 – 3,999 06	$35,000 – 39,999. 15	$275,000 – 349,999 24	$7,500,000 – 9,999,999 33
$4,000 – 4,999 07	$40,000 – 49,999. 16	$350,000 – 499,999 25	$10,000,000 and over 34
$5,000 – 7,499 08	$50,000 – 59,999. 17	$500,000 – 749,999 26	
$7,500 – 9,999 09	$60,000 – 79,999. 18	$750,000 – 999,999 27	

1. Use the **value codes** from the box above to answer the questions in Section N. *(**Exclude** farm income reported earlier.)* Which **value code** represents the total income received by the principal producer, spouse, and household in 2023 from –

HOUSEHOLD SPENDING – *(Please see **VALUE CODES** above.)*

	None	Value Code
2. Which value code from the list above represents how much this household spent in 2023 on –		
a. food, including food away from home? 1105	☐	

OFF-FARM ASSETS – *(Please see **VALUE CODES** on page 22.)*

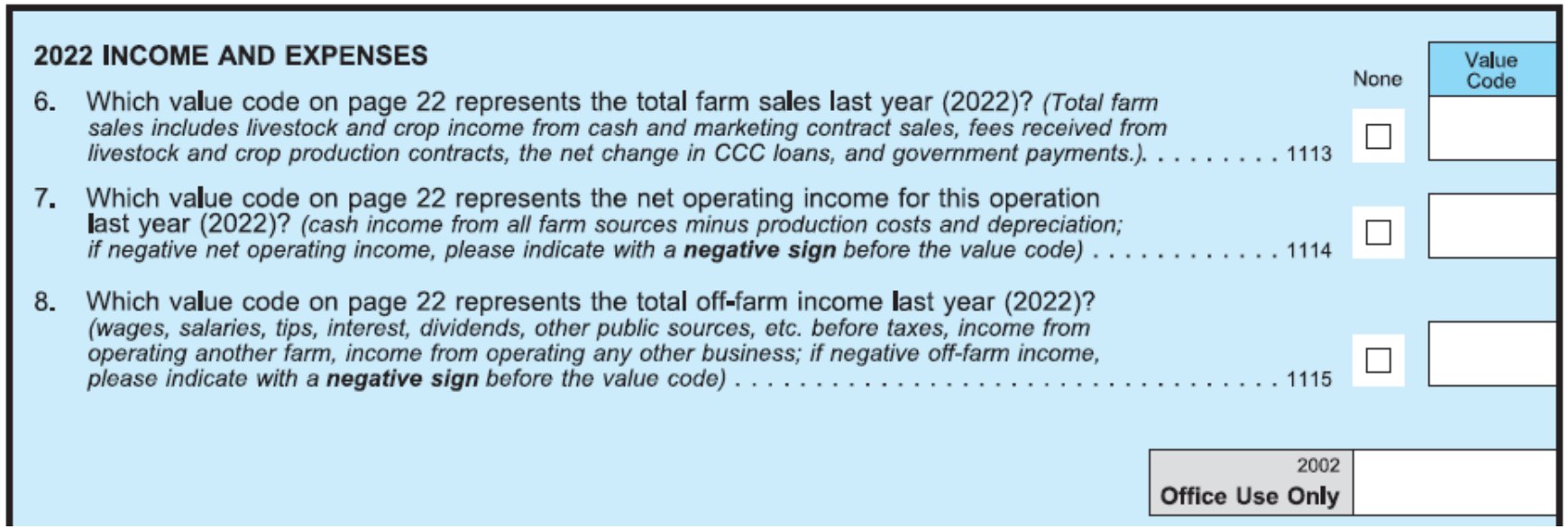
3. Which value code on page 22 represents the total value of each of the following categories of off-farm assets owned by the producer and members of the producer's household on December 31, 2023, for –
*(**Exclude** assets of this operation, reported in Section J.)*

OFF-FARM DEBT – *(Please see **VALUE CODES** on page 22.)*

	None	Value Code
4. Which value code on page 22 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, 2023, for *(**Include** off-farm debt secured with farm assets. **Exclude** any debt household debt, credit cards, etc. reported in Section K, Farm Debt.)*		

Previous Year (2022) 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



2022 INCOME AND EXPENSES

		None	Value Code
6.	Which value code on page 22 represents the total farm sales last year (2022)? *(Total farm sales includes livestock and crop income from cash and marketing contract sales, fees received from livestock and crop production contracts, the net change in CCC loans, and government payments.)* 1113	☐	
7.	Which value code on page 22 represents the net operating income for this operation last year (2022)? *(cash income from all farm sources minus production costs and depreciation; if negative net operating income, please indicate with a **negative sign** before the value code)* 1114	☐	
8.	Which value code on page 22 represents the total off-farm income last year (2022)? *(wages, salaries, tips, interest, dividends, other public sources, etc. before taxes, income from operating another farm, income from operating any other business; if negative off-farm income, please indicate with a **negative sign** before the value code)* 1115	☐	

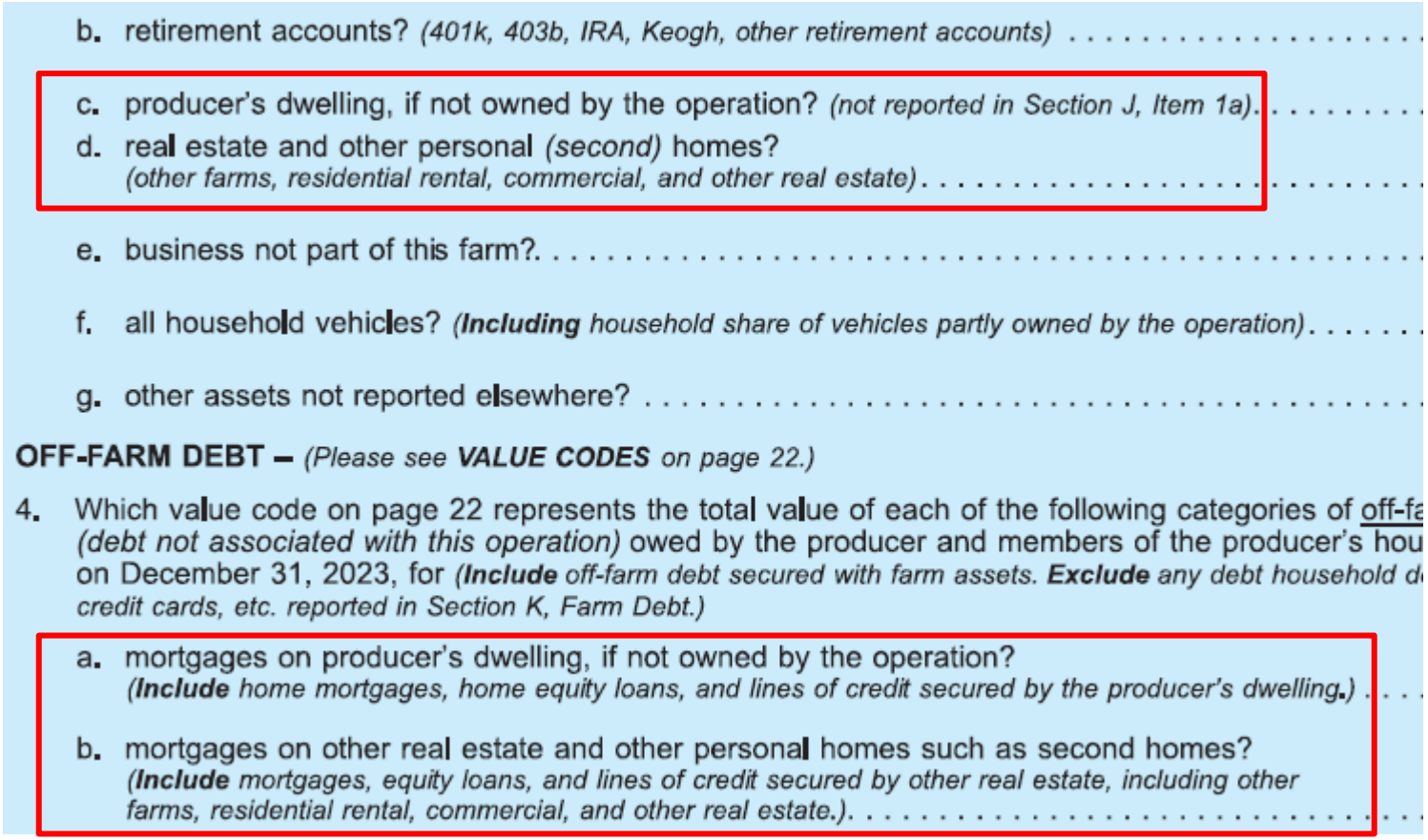
2002 **Office Use Only**

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 I - 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



b. retirement accounts? *(401k, 403b, IRA, Keogh, other retirement accounts)*

c. producer's dwelling, if not owned by the operation? *(not reported in Section J, Item 1a)*

d. real estate and other personal *(second)* homes? *(other farms, residential rental, commercial, and other real estate)*

e. business not part of this farm?

f. all household vehicles? *(**Including** household share of vehicles partly owned by the operation)*

g. other assets not reported elsewhere?

OFF-FARM DEBT – *(Please see **VALUE CODES** on page 22.)*

4. Which value code on page 22 represents the total value of each of the following categories of off-fa *(debt not associated with this operation)* owed by the producer and members of the producer's hou on December 31, 2023, for *(**Include** off-farm debt secured with farm assets. **Exclude** any debt household d credit cards, etc. reported in Section K, Farm Debt.)*

a. 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.)*

b. mortgages on other real estate and other personal homes such as second homes? *(**Include** mortgages, equity loans, and lines of credit secured by other real estate, including other farms, residential rental, commercial, and other real estate.)*

Conclusion

- Farm and household sustainability are interlinked
- Section N focus is on principal producer's household
- Section N is value code based as opposed to exact $
- Beware of duplication of assets, debt, and expenses between farm (earlier sections) and household (section N)

Thank you for listening!

Click Here
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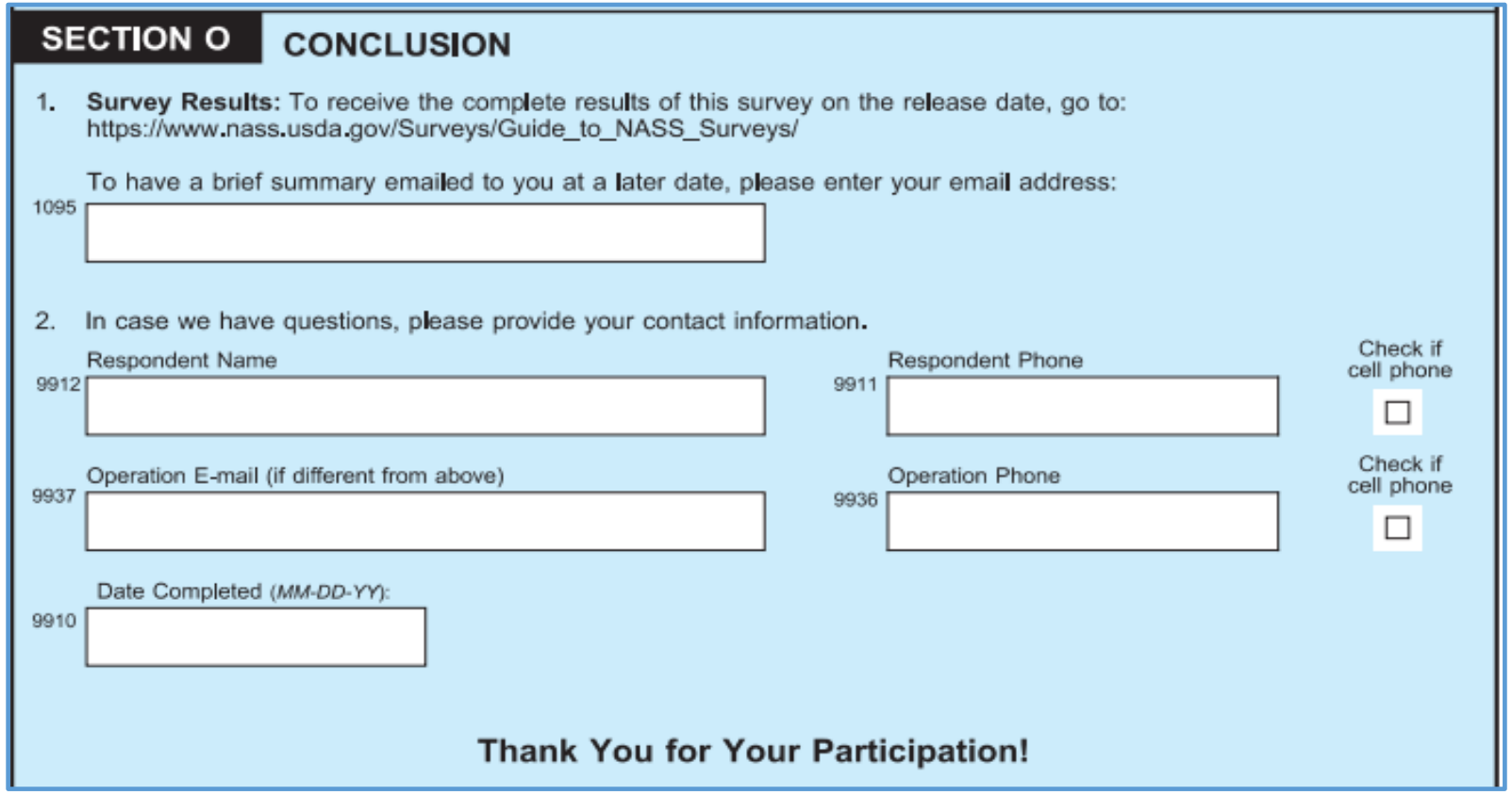
topic list

Conclusion

Laci Banks-Walker
Eastern Mountain Region

Conclusion



SECTION O **CONCLUSION**

1. **Survey Results:** To receive the complete results of this survey on the release date, go to: https://www.nass.usda.gov/Surveys/Guide_to_NASS_Surveys/

To have a brief summary emailed to you at a later date, please enter your email address:

1095 _____

2. In case we have questions, please provide your contact information.

Respondent Name
9912 _____

Respondent Phone
9911 _____

Check if cell phone ☐

Operation E-mail (if different from above)
9937 _____

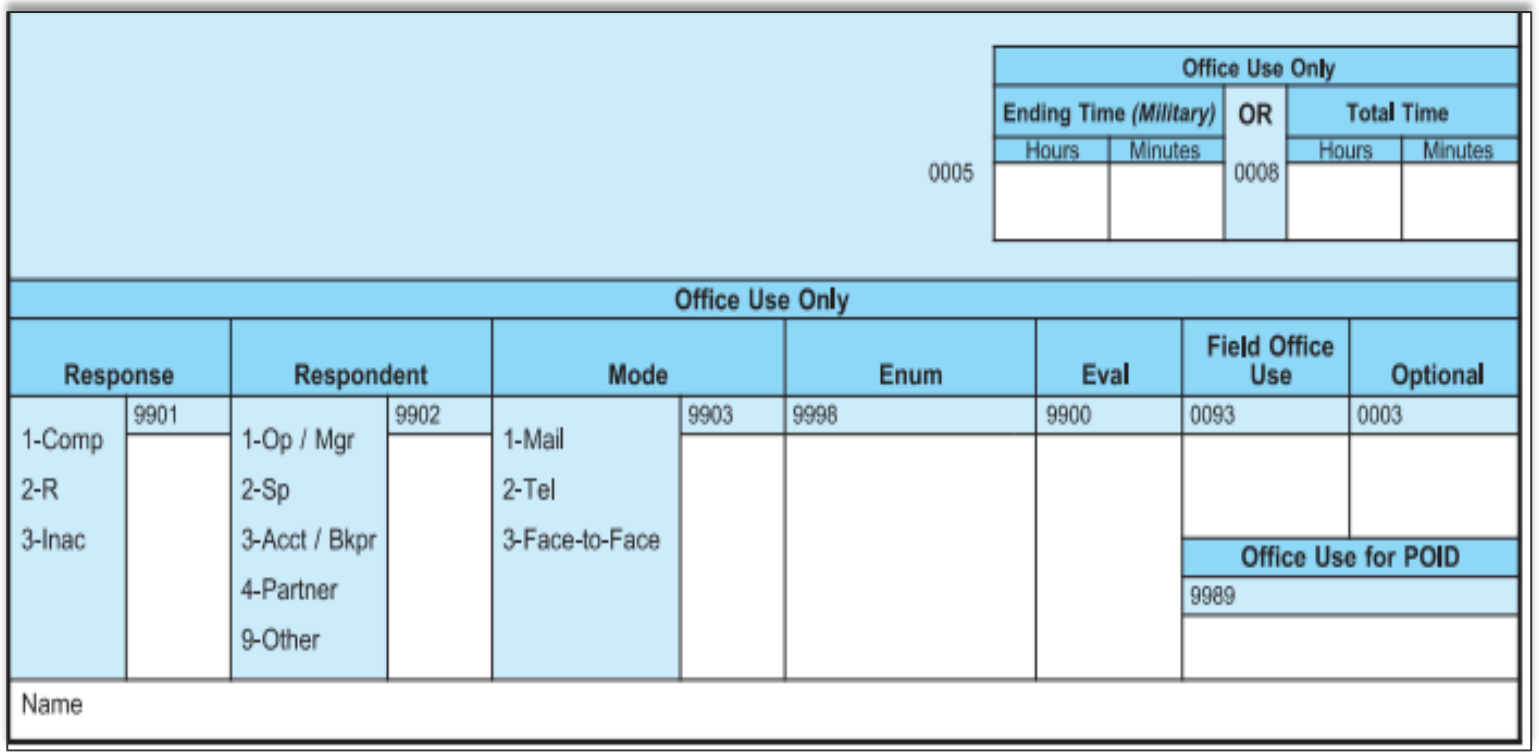
Operation Phone
9936 _____

Check if cell phone ☐

Date Completed (*MM-DD-YY*):
9910 _____

Thank You for Your Participation!

Conclusion



	Office Use Only				
	Ending Time *(Military)*		OR	Total Time	
	Hours	Minutes		Hours	Minutes
0005			0008		

Office Use Only									
Response		Respondent		Mode		Enum	Eval	Field Office Use	Optional
1-Comp 2-R 3-Inac	9901	1-Op / Mgr 2-Sp 3-Acct / Bkpr 4-Partner 9-Other	9902	1-Mail 2-Tel 3-Face-to-Face	9903	9998	9900	0093	0003
								Office Use for POID	
								9989	
Name									

ARMS III – "The Farm Story"

When the interview is concluded, ask yourself:

- "Does the questionnaire make sense?"
- "Does it 'tell the whole story'?"

Click Here
to return to
topic list

ARMS 3 Commodity Version Questionnaires

Kyle Nelson
Northern Plains Region

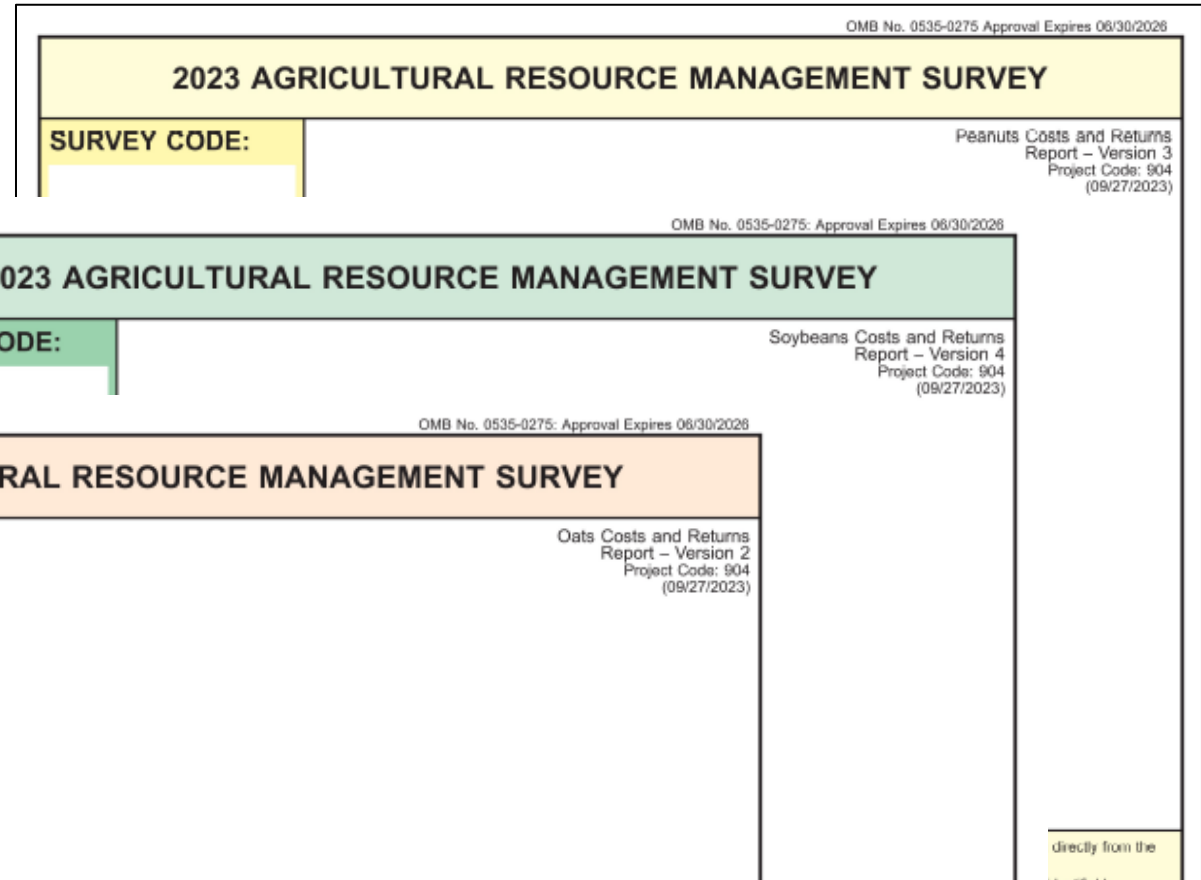
Tanya McNeal
Southern Plains Region

Kinsey Kappler
Southern Plains Region

Leonel Lopez
Southern Plains Region

Commodity Versions

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

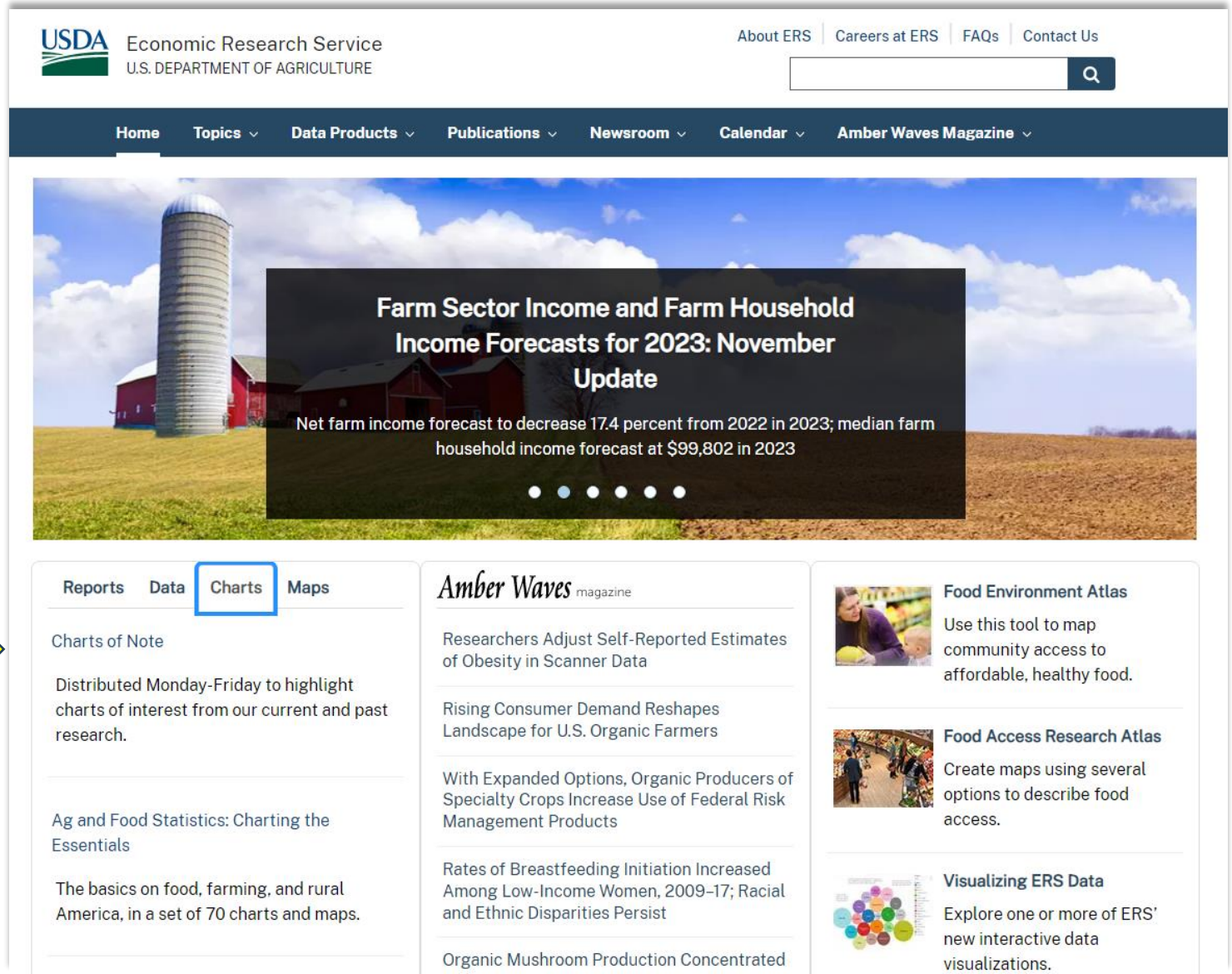


Data Uses

- Soybeans
- Oats
- Peanuts

Soybeans	Base survey of 2018				
	2022	2021	2020	2019	2018
Gross value of production					
Primary product, soybeans	709.36	655.23	524.17	429.34	458.91
Total, gross value of production	709.36	655.23	524.17	429.34	458.91
Operating costs					
Seed	71.09	63.21	60.99	60.93	62.39
Fertilizer [1]	63.92	33.34	28.51	31.79	29.17
Chemicals	55.03	35.72	34.66	36.81	37.30
Custom services	14.86	13.10	12.68	12.74	12.45
Fuel, lube, and electricity	24.65	16.92	12.62	14.82	15.78
Repairs	35.03	31.43	29.18	28.69	28.13
Purchased irrigation water	0.02	0.01	0.01	0.01	0.01
Interest on operating capital	3.23	0.06	0.35	1.92	1.93
Total, operating costs	267.83	193.79	179.00	187.71	187.16
Allocated overhead					
Hired labor	5.87	5.37	5.06	4.84	4.72
Opportunity cost of unpaid labor	20.36	18.77	17.82	17.14	16.26
Capital recovery of machinery and equipment	130.97	125.39	106.88	105.57	107.55
Opportunity cost of land	166.00	154.97	151.46	151.81	150.33
Taxes and insurance	14.11	13.51	12.91	12.24	11.96
General farm overhead	22.31	19.97	18.69	18.33	17.88
Total, allocated overhead	359.62	337.98	312.82	309.93	308.70
Costs listed					
Total, costs listed	627.45	531.77	491.82	497.64	495.86
Net value					
Value of production less total costs listed	81.91	123.46	32.35	-68.30	-36.95
Value of production less operating costs	441.53	461.44	345.17	241.63	271.75

ERS Publications



www.ers.usda.gov

ERS's data dissemination tool:

https://www.ers.usda.gov/data-products/arms-farm-financial-and-crop-production-practices/

ARMS Phases

- Phase 1: May – July 2023
  - Operators screened for target commodity
  - Previously Reported Data (PRD) used to reduce respondent burden.
- Phase 2: September 2023 – January 2024
  - Operators from Phase 1 with the target commodity were contacted for field level information.
- Phase 3: January – April 2024
  - ARMS 2 operators contacted to collect whole farm information.

Questionnaire Differences

- Direct Sales (Sec. G in the CRR) is not in the commodity specific questionnaires versions.
- There are additional target commodity expense questions in Sec. H (Operating & Capital Expenses).
- Drying Section (Sec. N) is not found in the CRR.

Sec. H: Expenses

- There are 16 additional questions for the target commodity.

SECTION H **OPERATING & CAPITAL EXPENDITURES**

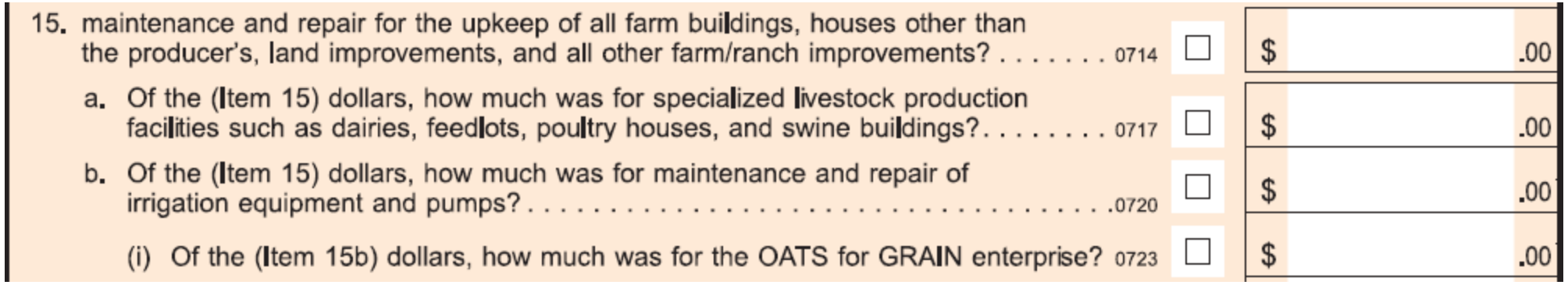
In 2023, how much was spent for each item by the PRODUCER(S) and PARTNER(S): *(**Include** only expenses related to this operation. **Exclude** expenses NOT related to this farm/ranch; expenses of performing custom work FOR others, if this is a separate business; and expenses on land rented to others.)*

OPERATING EXPENSES in 2023

	None	Dollars
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	☐	$ .00
a. Of the (Item 1) dollars, how much was for the SOYBEAN enterprise? 0603	☐	$ .00

Sec. H: Expenses continued…

- Item 15b(i) is a subset of Item 15b <u>not</u> Item 15.



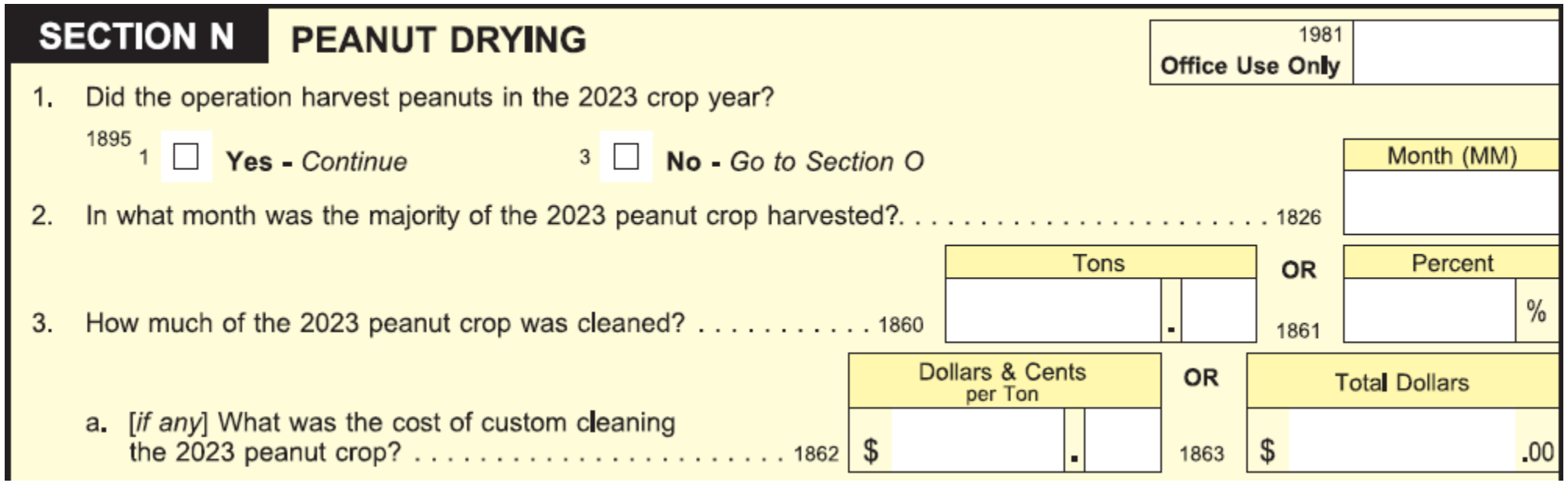
15. maintenance and repair for the upkeep of all farm buildings, houses other than the producer's, land improvements, and all other farm/ranch improvements? 0714	☐	$ .00
a. Of the (Item 15) dollars, how much was for specialized livestock production facilities such as dairies, feedlots, poultry houses, and swine buildings? 0717	☐	$ .00
b. Of the (Item 15) dollars, how much was for maintenance and repair of irrigation equipment and pumps? 0720	☐	$ .00
(i) Of the (Item 15b) dollars, how much was for the OATS for GRAIN enterprise? 0723	☐	$ .00

- Expenses represent what was spent during 2023. If inputs were purchased in 2022, please exclude here (but include in beginning of year assets).

Sec. N - Drying Section

- Goal: Reduce grain moisture content to meet recommendations for safe, long-term storage.
- Drying costs can be significant in some years and certain locations due to annual weather conditions.
- Information collected about drying systems are used in engineering relationships to estimate the operating and ownership costs of the (target crop) drying facilities.

Sec. N – Initial Questions



SECTION N **PEANUT DRYING**

1981 **Office Use Only**

1. Did the operation harvest peanuts in the 2023 crop year?

1895 1 ☐ **Yes -** *Continue* 3 ☐ **No -** *Go to Section O*

2. In what month was the majority of the 2023 peanut crop harvested? . . . . . 1826 — Month (MM)

3. How much of the 2023 peanut crop was cleaned? . . . . . 1860 — Tons . — **OR** 1861 — Percent %

a. [*if any*] What was the cost of custom cleaning the 2023 peanut crop? . . . . . 1862 — Dollars & Cents per Ton $. — **OR** 1863 — Total Dollars $ .00

How much was dried?

- Drying Systems
  - Fuel used for heat source
  - Electricity

Oats & Soybeans

3. How much of the 2023 soybean crop was (please report on a dry basis)		Bushels	OR	Percent	
a. custom dried?	1864		1865		%
b. dried by this operation?	1870		1871		%
c. not dried?	1876		1877		%

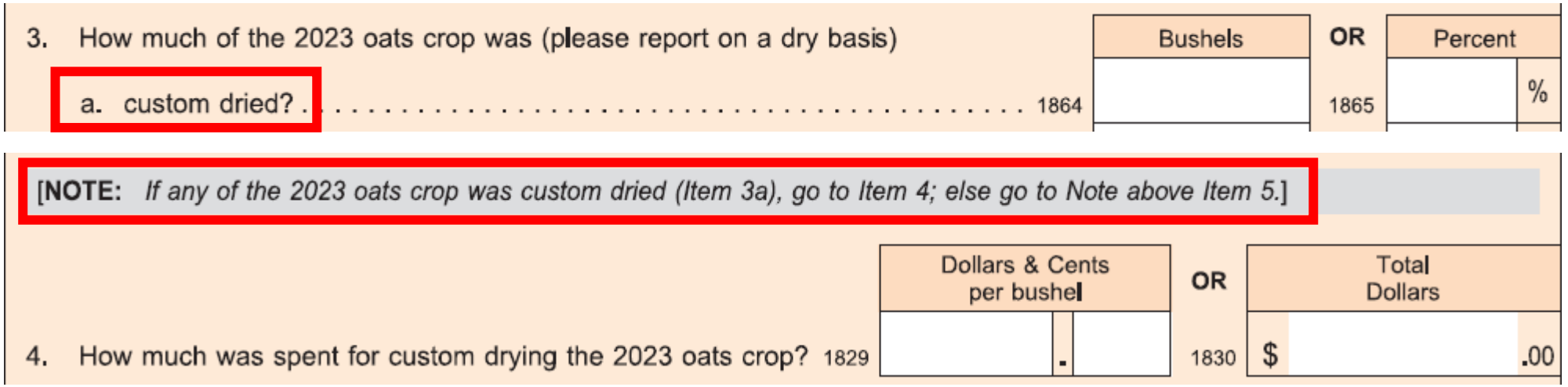
a + b + c = 100%

Peanuts

4. How much of the 2023 peanut crop was —		Tons	OR	Percent	
a. custom dried?	1866	.	1865		%
b. dried other than custom dried *(such as on-farm drying in trailers/wagons)*?	1869	.	1871		%
c. not dried?	1875	.	1877		%

Custom Drying Expenses

All Commodity Versions



3. How much of the 2023 oats crop was (please report on a dry basis)

		Bushels	OR	Percent
a. custom dried?	1864		1865	%

[**NOTE:** *If any of the 2023 oats crop was custom dried (Item 3a), go to Item 4; else go to Note above Item 5.*]

		Dollars & Cents per bushel	OR	Total Dollars
4. How much was spent for custom drying the 2023 oats crop?	1829	.	1830	$ .00

Dried by the Operation

Oats & Soybeans

3. How much of the 2023 soybean crop was (please report on a dry basis)		Bushels	OR	Percent
a. custom dried?	1864		1865	%
b. dried by this operation?	1870		1871	%
c. not dried?	1876		1877	%

a + b + c = 100%

[**NOTE:** *If any of the 2023 soybean crop was dried by this operation (Item 3b), go to Item 5; else go to Section O.*]

5. What fuel type was used to dry the majority of the 2023 soybean crop? . . . 1 diesel, 2 gasoline, 3 LP gas, 4 natural gas, 5 electricity, 6 other . . . . . 1859 — Code

6. On average, what was the moisture percentage of the 2023 soybean crop at harvest? 2213 — Percentage Points . %

Peanuts dried, other than custom dried

4. How much of the 2023 peanut crop was —		Tons		OR	Percent	
a. custom dried?	1866		.	1865		%
b. dried other than custom dried *(such as on-farm drying in trailers/wagons)*?	1869		.	1871		%
c. not dried?	1875		.	1877		%

[**NOTE:** *If any of the 2023 peanut crop was dried, other than custom dried, continue; else go to Section O.*]

6. What was the total cost of each fuel used to dry the peanuts?		Total Dollars
a. diesel	1881	$ .00
b. gasoline	1882	$ .00
c. LP gas	1883	$ .00
d. natural gas	1884	$ .00
e. electricity	1885	$ .00
f. other	1886	$ .00

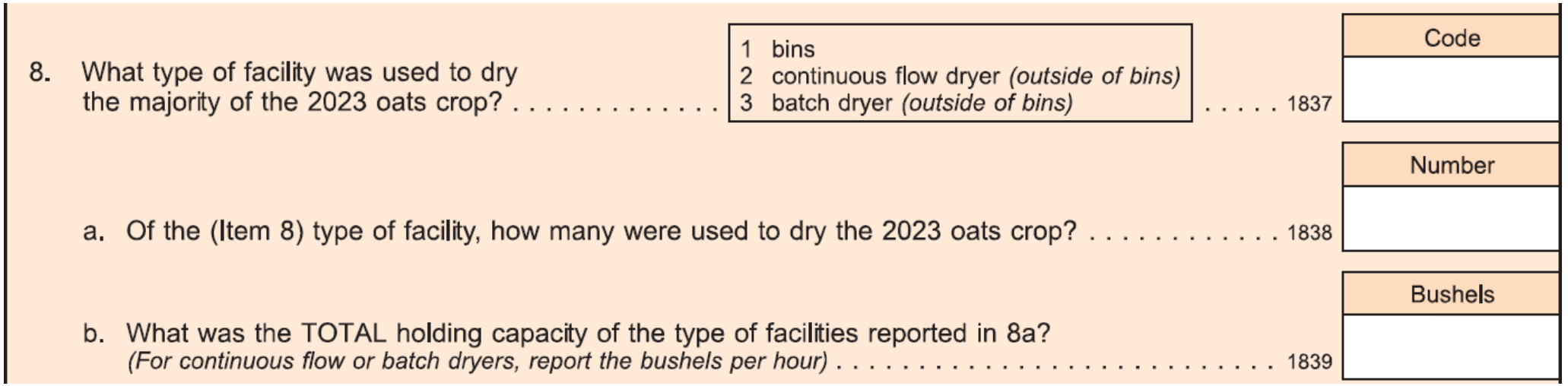
Drying Labor

All Commodity Versions

7. How many hours of each type of labor were used to dry the 2023 oats crop? *(**Include** hours to unload, fill and empty dryers, and to oversee drying.)*		Hours
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

Oats & Soybeans



8. What type of facility was used to dry the majority of the 2023 oats crop? 1837

1 bins
2 continuous flow dryer *(outside of bins)*
3 batch dryer *(outside of bins)*

Code

a. Of the (Item 8) type of facility, how many were used to dry the 2023 oats crop? 1838

Number

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) 1839

Bushels

Peanuts: Remaining Questions

8.	How many trailers/wagons were used to dry the peanuts *(count each trailer/wagon only once even if it was used multiple times; include both owned and rented trailers/wagons)*? **NUMBER OF TRAILERS/WAGONS** 1891	Number
	a. What was the length of the trailer/wagons that were used? *Mark one.*	
	5766 1 ☐ Less than or equal to 30 ft. long 2 ☐ More than 30 ft. long 3 ☐ Both sizes were used	
9.	How many trailer/wagon loads of peanuts were dried? **NUMBER OF LOADS** 1892	Number
10.	What was the average drying time per trailer/wagon load of peanuts? **HOURS PER LOAD** 1893	Hours
11.	What was the average initial moisture content for the peanuts that were being dried down? 5767	Percent %

Final Thoughts

- Please be familiar with the target commodity in the Expense and Drying sections.
- If the operation didn't have the target crop, complete the interview and skip target crop questions as appropriate.
- The first two questions of the Drying section related to the harvest and not drying!