

Cash Rents Survey Information

General Info:

Project Code: **921** – Cash Rents CE

Overview and Purpose:

The Cash Rents Survey obtains basic economic data from farmers and ranchers across the Nation. This survey provides the basis for estimates of the current year's Cash Rents paid for Irrigated Cropland, Non-Irrigated Cropland, and Permanent Pasture.

Estimates derived from this survey supply basic information needed by farmers to make decisions for both short term and long term planning. The Cash Rent estimates may also be used by individual producers in planning expenses for their agricultural operation or by Extension or University Staff in developing operating budgets for agricultural operations in their locale.

Cash Rents Survey: Included/Excluded Examples

Example 1: Operation that rents the whole farm. "The operator rents 9 acres of hay and 25 acres of pasture land for a flat fee of \$500/yr. There is an additional 49 acres of woods included in that yearly fee. Total acres rented = 83."

Action: This is rent for the whole farm and should be excluded.

Example 2: The operator reports renting 100 acres of non-irrigated cropland for \$125/ac and an additional 200 acres of non-irrigated cropland for \$130/ac.

Action: The entry should be 300 acres of non-irrigated cropland for a total of \$38,500. Also, please write descriptive comments on the questionnaire describing this cash rental arrangement.

Example 3: The operator reports renting 100 acres of apple trees. He pays 5 cents a pound to the landlord for all the apples harvested on rented land.

Action: This is not a cash rent per acre and should be excluded.

Example 4: The operator rents 100 acres of pasture. He pays \$400 a month rent to run cattle on the land.

Action: Verify with the farmer that this is the only rental arrangement in place on the 100 acres and then determine how many months he is paying the \$400. Enter \$400 times the number of months as the total rent paid for the 100 acres.

Example 5: The operator reports renting 300 acres of pasture. He pays \$10 a head per cow & calf.

Action: This is not cash rent per acre. Rent is based on number of head pastured.

Example 6: The operator uses 40 acres of non-irrigated cropland rent free. He also rents 100 acres of non-irrigated cropland for \$275 per month for 12 months.

Action: Enter 100 acres in non-irrigated cropland and enter \$3,300 in for the cash rent. ($\$275 \times 12 = \$3,300$).

Example 7: The operator reports renting 75 acres for producing tobacco at \$550/ac.

Action: This rent is high. Please verify the rent does not include barns for curing tobacco or materials to help harvest the crop, etc.

Example 8: The operator rents 500 acres for row crop production at \$150 per acre and 15 percent of the crop produced. He also rents 200 acres of pastureland at \$30 per acre.

Action: Record 200 acres in pasture rent and enter \$30 per acre for cash rent. Do not record the 500 acres of cropland as it includes part of the crop as payment.

Unusually low rental arrangements may indicate that the farmer also has a non-cash arrangement for payment in addition to the cash rent, such as a percentage of the crop grown. These “partial share rent” arrangements are to *be excluded*.

Exclude all share cropping, percentage of the crop, etc arrangements. Do not include monetary values of the share even if known. For example, the arrangement involves paying 10% of the gross field price received for crops (in cash) harvested from the rented land. This is still to be excluded.

Exclude any rental agreements that include buildings or facilities with the land rents (such as greenhouses, dairy barns, tobacco sheds, etc.)