

Tenure, Ownership and Transition of Agricultural Land (TOTAL) (TOTAL-682)



**United States Department of Agriculture
National Agricultural Statistics Service**

March 2025



TOTAL Overview

- TOTAL is the *only* survey NASS conducts that collects information directly from landlords
- NASS is conducting this survey in conjunction with the Economic Research Service (ERS)
- Will provide information on the details of land ownership, rental agreements, landlord income, landlord expenses and debt
- Follow-on survey to the Census of Agriculture
 - Response is required by law (Title 7, U.S. Code)

Uses of TOTAL Data

- Provides information on land tenure and transition plans
 - Real estate owners' equity is huge component of the agricultural sector
- Will provide farmers and landowners information needed to help negotiate lease or rental agreements
 - May also provide information to help guide sales and transfers of land
- Data will help shape grants and loans available to farmers
- Results will be also used by Congress when developing or changing farm programs

Section 1: Land Ownership

- If the target/operator name is an “entity” (partnership, corporation, trust, etc) OR an individual, proceed
 - Fairly common for these to be something...other than just an individual
 - And yes, it’s a little confusing! But basically, will continue regardless of a yes or no
- Then ask if they have any agriculture land in the state
 - Even if “they” are a proxy: trustee, power of attorney, etc.
- Was any of this agriculture land rented to others as a part of a farm or ranch?
 - If no, screen out. Only looking for ag land rented to another ag operation

Section 1: Land Ownership

- Lastly, does the target/operator name operate a farm or ranch themselves?
 - If so, screen out. Targeting landlords *only*
- Acres owned, rented to others
- NOTE: all the subsequent questions in the survey ask about acres owned and rented to others
- Then ask about type of ownership arrangement, number of owners

Section 2: Acres and Use

- What were these rented out acres?
 - Orchards/vineyards, pasture etc.
- Was any enrolled in government conservation programs and/or under a conservation easement?
 - As always, if the respondent doesn't know what it is, most likely they don't have it!
 - Note that here CRP is excluded
- Were any property rights sold or leased?
 - Oil and gas, mineral, wind, recreational

Section 2: Acres and Use

More on Property Rights

- A landowner's property can be thought of as a bundle of "rights"
 - Including rights to the surface, subsurface, and the air above the property.
- The landowner can sell or lease these rights.
- The same acreage can be rented or leased to different people for different purposes.
 - For example, a farmer may rent the property to grow crops and someone else may have the hunting rights leased at the same time.

Section 2: Acres and Use

- Terms and Definitions
 - **Environmental Quality Incentive Program (EQIP):** Voluntary conservation program administered by NRCS in which farmers implement conservation practices in return for financial cost-share assistance and technical assistance.
 - **CSP (Conservation Stewardship Program):** Helps agricultural producers maintain and improve their existing conservation systems and adopt additional conservation activities to address priority resources concerns.
 - **Conservation Easement:** A legal agreement to place restrictions on the property between the land owners and a government agency or a qualified land conservation organization (called a land trust) to ensure a specific conservation goal is met.

Section 3: Rental Agreements

- How many tenants did you have in 2024?
 - People who are renting the acreage for *agricultural purposes*.
 - For this survey, we do not consider someone a tenant if they are renting or leasing the acreage, or rights to the acreage, for any purpose other than agriculture.
 - For example, if someone is leasing the hunting rights, we do not want to list them as a tenant.
 - If someone is renting a house but no agriculture land, exclude them

Section 3: Rental Agreements

- Rental agreement details for up to three tenants will be collected
 - Acres, type of rental agreement, lease structure, live in the same county, etc.
- Who made the management decisions in 2024 for various practices?
 - Fertilizer/chemical use, cultivation practices, crop insurance, marketing, conservation practices, etc.

Section 3: Rental Agreements

- Terms and Definitions
 - **Fixed Cash Rental Agreement:** A predetermined dollar amount is agreed upon for the use of the acreage.
 - **Flexible Cash Rental Agreement (sometimes referred to as a Hybrid Cash Rental Agreement):** A dollar amount is not predetermined for rent. The actual rent paid is adjusted based on final yields and/or prices. This way risk and profit is shared by both the owner and the tenant.
 - **Share Rental Agreement:** Method of paying rent, where the landowner receives a share of the crop, livestock (or product, such as milk or wool) as payment for use of land, buildings, equipment, livestock, etc. Many times, the landowner will pay a portion of the expenses in this type of arrangement.

Section 4: Land Acquisition History

- How were these rented out acres obtained?
 - Several possible methods and year acquired
 - Must sum up to all acres rented out
- Purchased as a ‘like-kind exchange’?
 - Also known as a 1031
 - Allows capital gain taxes to be deferred

Section 5: Future Plans for Agricultural Land

- Of the owned acres rented out, do you plan to:
 - Leave to beneficiaries through a will?
 - Sell in the future?
 - Transfer through a trust?
 - Gift or donate?
 - Transfer any other way?
- And then for each method, how many acres and some additional details

Section 6: Landlord Farm Income

- How much cash rent was received in 2024?
- What was the value of share-rent received?
 - And how much was still owed?
- For the acres rented out, how much income was received from:
 - Government payments
 - Crop and livestock insurance payments
 - Royalty or lease payments
 - Or other income related to the land
- How much was received from sales of farmland and other farm real estate?

Section 7: Landlord Farm Assets

- What was the market value of the real estate assets rented out?
 - Dwellings, farm buildings, permanent crops, rights, land all asked separately
 - Land value should exclude the value of any houses, buildings, etc.
- What is the market value of any:
 - Crops owned, livestock owned, inputs owned, machinery, etc
 - Landlord's share only

Section 8: Landlord Operating Expenses

- Did the landlord have any operating expenses?
 - If NO, skip to Section 9.
- Be sure you are only collecting the landlord's share and not what the tenant paid.
- Usually there should be at least *some* expenses associated with land rented out.
 - Real estate taxes are typically paid by the landowner.
 - Other operating costs will depend on rental agreements, debt and other financial factors.

Section 9: Landlord Farm Debt

- Of the total owned acres rented out, how many were:
 - Fully paid for AND Not fully paid for?
- How much is owed on the acres rented out:
 - Looking for any debts associated with that land
 - WHO is owed those loans
 - Commercial banks, FSA, Farm Credit System, etc.
 - And how are the loans secured?

Section 10 Landowner Information

- Fairly typical demographic questions
 - Similar to Census and follow-ons
 - Focused on principal (if more than one) landlord
- Principal landlord household questions
 - What percent of land rental income entitled to?
 - If a single owner, probably 100%. But if a trust, LLP, etc. may only get a portion
 - Number of people in principal landlord's household
 - Household income
 - Household assets and debt
 - *Excluding* land rented out
 - Percent of total income from acres rented out
 - Any other business activities?

Section 11: Conclusion

- Please leave comments for any unusual rental or lease agreements, landlord arrangements, etc.
 - The more you can tell us about the situation, the better use we will be able to make of the data.

Reluctant Responses

- “It’s nobody’s business how much I receive for rent, how much my expenses are, or what my land is worth”.
 - I can appreciate you wanting to keep your information/business private. We only use your information together with all the others who report to help get a general idea of the overall financial condition of the farm sector.

Things to remember:

- We will not be interviewing our typical respondents for this survey. These are the people who usually screen out – Landlords.
- We need the landlord's data to merge with the farmer's data to get the full picture of the financial condition of the agricultural economy.
- Thanks! And have a good survey