SCHEDULE F (Form 1040)

Department of the Treasury
Internal Revenue Service

Farm Income and Expenses

▶ **Attach to Form 1040, Form 1041, Form 1041S, or Form 1065.**

▶ **See Instructions for Schedule F (Form 1040).**

OMB No. 1545-0074

1987

Attachment Sequence No. **14**

Name of proprietor

Social security number (SSN)

A Principal Product (Describe in one or two words your principal crop or output for the current tax year.)

B Agricultural Activity Code (from Part IV) ▶

C Accounting Method:

☐ Cash ☐ Accrual

D Employer ID number (Not SSN)

E Did you make an election in a prior year to include commodity credit loan proceeds as income in that year? . . . . . ☐ Yes ☐ No

F Did you "materially participate" in the operation of this business during 1987? (See Instructions for limitation on losses.) . . ☐ Yes ☐ No
If "No" and you have a loss on line 37, you must attach Form 8582.

G Are you electing not to capitalize certain preproductive period expenses? (New rules apply to these expenses, see Instructions.) ☐ Yes ☐ No

Part I Farm Income—Cash Method—Complete Parts I and II

(Accrual method taxpayers complete Parts II and III, and line 12 of Part I.)

Do not include sales of livestock held for draft, breeding, sport, or dairy purposes; report these sales on Form 4797.

1	Sales of livestock and other items you bought for resale	1	

13	Breeding fees		
14	Chemicals		
15	Conservation expenses (you must attach Form 8645)		
16	Depreciation and section 179 expense deduction (from Form 4562)		
17	Employee benefit programs other than on line 26		
18	Feed purchased		
19	Fertilizers and lime		
20	Freight, trucking		
21	Gasoline, fuel, oil		
22	Insurance		
23	Interest:		
a	Mortgage (paid to financial institutions)		
b	Other		

24 a	Labor hired		
b	Jobs credit		
c	Net labor hired (subtract line 24b from line 24a)		
25	Machine (custom) hire		
26	Pension and profit-sharing plans . .		
27	Rent of farm, pasture		
28	Repairs, maintenance		
29	Seeds, plants purchased		
30	Storage, warehousing		
31	Supplies purchased		
32	Taxes		
33	Utilities		
34	Veterinary fees, medicine		
35	Other expenses (specify):		
a			
b			
c			

36	**Total deductions from Part II.** Add amounts in columns for lines 13 through 35c . . . . . ▶	36	
37	**Net farm profit or (loss).** Subtract line 36 from line 12. If a profit, enter on Form 1040, line 18, and on Schedule SE, line 1. If a loss, you **MUST** go on to line 38. (Fiduciaries and partnerships, see Instructions.)	37	

38 If you have a loss, you **MUST** answer this question: "Do you have amounts for which you are not at risk in this business?" (See Instructions.) . . . . . ☐ Yes ☐ No
If "Yes," you **MUST** attach **Form 6198**. If "No," enter the loss on Form 1040, line 18, and on Schedule SE, line 1.

Part III Farm Income—Accrual Method

Do not include sales of livestock held for draft, breeding, sport, or dairy purposes; report these sales on Form 4797 and do not include them on line 47 below.

39	Sales of livestock, produce, grains, and other products during year			39	
40a	Total distributions received from cooperatives (from Form 1099-PATR)	40a			
b	**Less:** Nonincome items	40b			
41	Net distributions. Subtract line 40b from line 40a			41	
42	Agricultural program payments:				
a	Cash			42a	
b	Materials and services			42b	
43	Commodity credit loans under election (or forfeited)			43	
44	Machine work (custom hire) income			44	
45	Other income, including Federal and state gasoline tax credit or refund (see Instructions)			45	
46	**Total.** Add amounts on lines 39 and 41 through 45			46	
47	Inventory of livestock, produce, grains, and other products at beginning of year	47			
48	Cost of livestock, produce, grains, and other products purchased during year	48			
49	Add lines 47 and 48	49			
50	Inventory of livestock, produce, grains, and other products at end of year	50			
51	Cost of livestock, produce, grains, and other products sold. Subtract line 50 from line 49*			51	
52	**Gross income.** Subtract line 51 from line 46. Enter here and on Part I, line 12 ▶			52	

*If you use the unit-livestock-price method or the farm-price method of valuing inventory and the amount on line 50 is larger than the amount on line 49, subtract line 49 from line 50. Enter the result on line 51 and add lines 46 and 51. Enter the total on line 52.

Part IV Principal Agricultural Activity Codes

Select one of the following codes and write the 3–digit number on line B on page 1 of this schedule. (**Note:** *If your principal source of income is from providing agricultural services such as soil preparation, veterinary, farm labor, horticultural, or management for a fee or on a contract basis, you should file* ***Schedule C*** *(Form 1040), Profit or (Loss) From Business or Profession.*)

120 **Field crop,** including grains and nongrains such as cotton, peanuts, feed corn, wheat, tobacco, Irish potatoes, etc.

160 **Vegetables and melons,** garden-type vegetables and melons, such as sweet corn, tomatoes, squash, etc.

170 **Fruit and tree nuts,** including grapes, berries, olives, etc.

180 **Ornamental floriculture and nursery products**

185 **Food crops grown under cover,** including hydroponic crops

211 **Beefcattle feedlots**

212 **Beefcattle,** except feedlots

215 **Hogs, sheep, and goats**

240 **Dairy**

250 **Poultry and eggs,** including chickens, ducks, pigeons, quail, etc.

260 **General livestock,** not specializing in any one livestock category

270 **Animal specialty,** including fur-bearing animals, pets, horses, etc.

280 **Animal aquaculture,** including fish, shellfish, mollusks, frogs, etc., produced within confined space

290 **Forest products,** including forest nurseries and seed gathering, extraction of pine gum, and gathering of forest products

300 **Agricultural production,** not specified