

**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

1988
Attachment
Sequence No. **14**

Name of proprietor	Social security number (SSN) : :
A Principal Product. (Describe in one or two words your principal crop or activity for the current tax year.)	B Agricultural Activity Code (from Part IV) ▶
C Accounting Method: <input type="checkbox"/> Cash <input type="checkbox"/> Accrual	D Employer ID number (Not SSN) : :
E Did you make an election in a prior year to include Commodity Credit Corporation loan proceeds as income in that year? . <input type="checkbox"/> Yes <input type="checkbox"/> No	
F Did you "materially participate" in the operation of this business during 1988? (If "No," see Instructions for limitations on losses.) <input type="checkbox"/> Yes <input type="checkbox"/> No	
G Do you elect, or did you previously elect, to currently deduct certain preproductive period expenses? (See Instructions.) . <input type="checkbox"/> apply <input type="checkbox"/> Yes <input type="checkbox"/> 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			
2 Cost or other basis of livestock and other items you bought for resale	2			
3 Subtract line 2 from line 1			3	
4 Sales of livestock, produce, grains, and other products you raised			4	
5a Total distributions received from cooperatives (from Form 1099-PATR)	5a			
b Less: Nonincome items	5b			
6 Net distributions. Subtract line 5b from line 5a			6	
7a Total agricultural program payments	7a		7b Taxable amount	7b
8a Commodity Credit Corporation (CCC) loans reported under election (see Instructions)			8a	
b CCC loans forfeited or repaid with certificates	8b		8c Taxable amount	8c
9a Crop insurance proceeds received in 1988	9a		9b Taxable amount	9b
c If election to defer to 1989 is attached, check here <input type="checkbox"/>		9d Amount deferred from 1987	9d	
10 Custom hire (machine work) income			10	
11 Other income, including Federal and state gasoline or fuel tax credit or refund (see Instructions)			11	
12 Gross income. Add amounts in the right column for lines 3 through 11. If accrual method taxpayer, enter the amount from Part III, line 55			12	

Part II Farm Deductions—Cash and Accrual Method (Do not include personal or living expenses such as taxes, insurance, repairs, etc., on your home.)

13 Breeding fees	13				
14 Chemicals	14				
15 Conservation expenses (you must attach Form 8645)	15				
16 Custom hire (machine work)	16				
17 Depreciation and section 179 expense deduction (from Form 4562)	17				
18 Employee benefit programs other than on line 26	18				
19 Feed purchased	19				
20 Fertilizers and lime	20				
21 Freight, trucking	21				
22 Gasoline, fuel, oil	22				
23 Insurance	23				
24 Interest:					
a Mortgage (paid to banks, etc.)	24a				
b Other	24b				
25a Labor hired					
b Jobs credit					
c Net labor hired (line 25a minus b)			25c		
26 Pension and profit-sharing plans			26		
27 Rent of farm, pasture			27		
28 Repairs, maintenance			28		
29 Seeds, plants purchased			29		
30 Storage, warehousing			30		
31 Supplies purchased			31		
32 Taxes			32		
33 Utilities			33		
34 Veterinary fees, medicine			34		
35 Other expenses (specify):					
a -----			35a		
b -----			35b		
c -----			35c		
d -----			35d		
e -----			35e		
36 Add amounts on lines 13 through 35e			36		
37 Preproductive period expenses that are capitalized (see Instructions)			37		
38 Subtract line 37 from line 36. These are your total deductions			38		
39 Net farm profit or (loss). Subtract line 38 from line 12. If a profit, enter on Form 1040, line 19, and on Schedule SE, line 1. If a loss, you MUST go on to line 40. (Fiduciaries and partnerships, see Instructions.)			39		

40 If you have a loss, you MUST check the box that describes your investment in this activity (see Instructions).
 40a All investment is at risk.
 40b Some investment is not at risk.
 If you checked 40a, enter the loss on Form 1040, line 19, and Schedule SE, line 1. If you checked 40b, you MUST attach Form 6198.

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 this livestock on line 50 below.

41	Sales of livestock, produce, grains, and other products during year				41		
42a	Total distributions received from cooperatives (from Form 1099-PATR)	42a					
b	Less: Nonincome items	42b					
43	Net distributions. Subtract line 42b from line 42a				43		
44a	Total agricultural program payments	44a			44b	44b	44b Taxable amount
45a	Commodity Credit Corporation (CCC) loans reported under election (see Instructions)				45a		
b	CCC loans forfeited or repaid with certificates	45b			45c	45c	45c Taxable amount
46	Crop insurance proceeds				46		
47	Custom hire (machine work) income				47		
48	Other income, including Federal and state gasoline or fuel tax credit or refund (see Instructions)				48		
49	Total. Add amounts in the right column for lines 41 through 48				49		
50	Inventory of livestock, produce, grains, and other products at beginning of year	50					
51	Cost of livestock, produce, grains, and other products purchased during year	51					
52	Add lines 50 and 51	52					
53	Inventory of livestock, produce, grains, and other products at end of year	53					
54	Cost of livestock, produce, grains, and other products sold. Subtract line 53 from line 52*				54		
55	Gross income. Subtract line 54 from line 49. Enter the result here and on Part I, line 12				55		

*If you use the unit-livestock-price method or the farm-price method of valuing inventory and the amount on line 53 is larger than the amount on line 52, subtract line 52 from line 53. Enter the result on line 54. Add lines 49 and 54. Enter the total on line 55.

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.)

- 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