

GENERAL INFORMATION

In today's business environment, the successful farm manager needs records for: 1) day-to-day decision-making, 2) forward planning, and 3) tax management. Some of the most common uses of good records are the measurement of operating and financial performance, supporting loan applications, arranging insurance coverage, estate planning and valuations, analyzing farm investments, measuring individual enterprise profitability, monitoring production inventories, and developing sound marketing plans.

An effective accounting system will aid the farm manager in evaluating the farm's liquidity, solvency, production and economic efficiency, and profitability. The perceptive use of internal information combined with information about markets, policies, and other production and economic factors improves the farmer's decision-making abilities.

Being a good producer is no longer good enough. To be successful in today's business environment, a farmer must also be a good financial manager. Accurate and efficient production, marketing, and financial management decisions require timely and extensive information. **Decision-making will be easier if a complete record keeping system is adopted, discipline is used to maintain the system, and the manager learns to effectively interpret the use of the records produced.**

HOW TO KEEP THIS RECORD BOOK

1. Decide who is to post the information in this book.
2. Decide where to keep the record book.
3. Determine the responsibilities of others besides the recordkeeper.
4. Designate where invoices and receipts are to be placed before they are posted.

Note: The recordkeeper should have the responsibility of filing invoices, receipts, and bank statements. If you deposit all money and pay all bills with checks and write memos on all your checks and deposit slips, you will have the foundation for a good record system.

This book was designed primarily for accounting and reporting income taxes on the "cash basis." Pages A-4a through A-5b provides examples of how to enter receipts and expenses. This book includes pages for financial and production analysis as well as accumulating data necessary for preparing your income tax returns. For a cash basis user, completion of the receipts/expenses section and the Section B analysis is necessary to accurately measure and analyze the farm or ranch financial production progress.

BENEFITS FROM KEEPING A FARM RECORD

The farm manager is able to:

1. Determine the farm earnings.
2. Detect the weaknesses in the farm business and, by strengthening them, increase farm earnings.
3. Provide accurate information for income and Social Security tax purposes.
4. Assist in establishing and maintaining good credit relations with banks and other lending agencies.
5. Furnish a record of important events and transactions for later use.
6. Apply good business methods to the farm operation.

START OF THE YEAR SUGGESTIONS

New Users of This Record Book System

1. Fill in the "Special Information" on page C-15.
2. Complete the "Asset and Liability Listings" on pages A-11a through A-14d. (And if you want to maintain itemized lists, complete pages C-2 through C-5.)
3. If you plan to compute your depreciation deduction, complete the depreciation pages C-6 through C-8.

Prior Year Users

1. Transfer all "C" prefixed pages from your prior year record book to this year's book (note that page numbers may have changed from the previous version).
2. Update the "Special Information" on page C-15.
3. Transfer last year's ending amounts of items held for resale to the beginning balances for the "Cost of Goods Sold" worksheet on page B-13.
4. Transfer last year's ending balance sheet amounts to the appropriate lines in the supplemental schedules to the income statement on page B-10a and balance sheet on page B-6.

Suggestions for All Users

1. Copy additional pages as needed.
2. Study the sample entries of receipts and expenses on pages A-4a through A-5b.
3. Total the receipts for each month (or bank statement period) and transfer the totals for the Cash Inflow (Receipts Summary) on pages B-4a and B-4b. Total the expenses for each month (or bank statement period) and transfer the totals to the Cash Outflow (Expenses Summary) on pages B-5a and B-5b.

4. All business expenses, itemized deduction expenses, and expenses of potential review (such as life insurance, gifts, and federal income tax payments) should be listed separately in the Expenses pages (A-8a through A-8b). Category detail for personal expenses can be maintained on pages A-10a through A-10b.

Posting the total monthly (bank statement) receipts and expenses on pages A-8a through A-8b and A-10a through A-10b provides a method of checking the amounts posted in the record book with your bank statement. If the checking account is a combined personal and business account, personal expenses, due to their volume and nondeductibility, should be summarized in one entry on the Expense pages. See the sample entry on line 16 of pages A-5a and A-5b.

5. Payments to employees and contractors are entered in the Expense pages. The details of these transactions may be posted to either page A-16 or page A-18 as appropriate.
6. As production data is made certain during the year, this information should be filled in on the appropriate production summaries, pages A-19 or A-20.
7. Posting the expenses for livestock purchases and the receipts from livestock sales may require extra attention. The cost of livestock purchased for resale is posted on page A-8a while the cost for livestock acquired for draft, breeding, or dairy purposes should be posted on page A-8b.

Proceeds from the sale of livestock purchased for resale are posted in column 1 of page A-6a while receipts from the sale of raised livestock are posted in columns 2 through 5 of page A-6a. The receipts from the sale of livestock held for draft, breeding, or dairy are posted in column 19 of page A-6b.

8. Occasionally, taxable non-cash transactions occur which need to be entered into your records. Examples are patronage distributions from farm cooperatives and non-cash wages to employees. For patronage dividends the retained earnings (non-cash) as well as the cash distribution are considered taxable income. See the examples listed in the sample receipts and expenses on pages A-6a through A-8b.

GOALS AND STRATEGIES

	THIS YEAR	FIVE YEAR	STRATEGIES TO BE USED
FAMILY GOALS			
BUSINESS GOALS			
Marketing:			
Production:			
Financial:			

A goal is a statement of what an individual or family wants to achieve. You are more likely to achieve things you want over time if you identify what you are trying to accomplish. A strategy is the means for accomplishing the identified goals. OSU WF-244, Goal Setting for Farm/Ranch Families <http://agweb.okstate.edu/pearl/agecon/tax/wf-244.pdf> , is designed to stimulate your thinking about your business and family goals.

RECEIPTS

L I N E	Crop Sales (continued)						Ag Program Payments	CCC Loans Under Election or Forfeited	Disaster & Crop Insurance Proceeds	Custom Hire	Other Farm Income Refunds, etc.	Non-Taxable Farm Receipts				Sale of Breeding Livestock, Equipment, Buildings, Land	Non-Farm Taxable Receipts			L I N E				
	Other: _____	Other: _____	Other: _____	All Farm Loans Received	All Other Non-Taxable Receipts	Rent & Royalty						Interest & Dividends	Other Taxable Non-Farm Receipts											
1																							1	
2																								2
3																								3
4																		1,012	10					4
5																620	05							5
6						2,970	50																	6
7											150	00												7
8												24,000	00											8
9											400	00												9
10														9,900	00									10
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B = Total columns 1 through 22 (A must equal B)

B 102,854 35

EXPENSES

Line	Insurance: Farm	Interest: Farm Mortgage		Interest: Farm (Other)		Labor Hired		Pension & Profit-sharing	Rent or Lease		Repairs & Maint.		Seeds & Plants		Storage & Warehousing		Supplies	Taxes: Farm Property		Utilities		Vet. Breeding & Med	Other Expense: Fees, Dues & Misc. Expense		Capital Purchases: Breeding Livestk, Equip Bldgs, Land		Loan Principal Payments		Non-Farm Expense																																										
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2			7,875	00																								2,911	00																																										
3					2,504	40																						20,000	00																																										
4							1,280	00																																																															
5											238	68	449	00																																																									
6																			2,060	10										389	65T																																								
7										800	00	T																																																											
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9																										1,500	00																																												
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11																																																																							
12							1,205	01	T																																																														
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14																														1,816	20T																																								
15																																																																							
16																																																																							
17									Note: The check marks (T) denote entries which have been carried to another page for summarization, for example, "Employees Earnings Record", "Form 1099 Information", "Cost of Goods Sold", or "Family Living and Personal Expenses". The check mark is simply a posting technique that indicates completion of a posting process.																																																														
18																																																																							
19																																																																							
20																																																																							
21									Note: The account divisions at the bottom of this page provides for expense allocations required on your farm income and expense tax schedule (Schedule F).																																																														
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			Vehicles, Mach., Equip.									Farm Share																																																											
			Other									Non-Farm																																																											

RECEIPTS

	Crop Sales (continued)			Ag Program Payments	CCC Loans Under Election or Forfeited	Disaster & Crop Insurance Proceeds	Custom Hire	Other Farm Income Refunds, etc.	Non-Taxable Farm Receipts		Sale of Breeding Livestock, Equipment, Buildings, Land	Non-Farm Taxable Receipts				
	Other: _____	Other: _____	Other: _____						All Farm Loans Received	All Other Non-Taxable Receipts		Rent & Royalty	Interest & Dividends	Other Taxable Non-Farm Receipts		
1																1
2																2
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B=Total columns 1 through 22 (A must equal B)

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EXPENSES

L i n e	Insurance: Farm	Interest: Farm Mortgage	Interest: Farm (Other)	Labor Hired	Pension & Profit- sharing	Rent or Lease	Repairs & Maint.	Seeds & Plants	Storage & Ware- housing	Supplies	Taxes: Farm Property	Utilities	Vet, Breeding & Med	Other Expense: Fees, Dues & Misc. Expense	Capital Purchases: Breeding Livestk, Equip, Bldgs, Land	Loan Principal Payments	Non-Farm Expense	L i n e
1																		1
2																		2
3																		3
4																		4
5																		5
6																		6
7																		7
8																		8
9																		9
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11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27
			Vehicles, Mach., Equip.	Other						Farm Share			B=Total Column 1 through 27; (B must equal A)			B
										Non-Farm						

Instructions For Family Living And Personal Expenses

Budgeting farm family living expenses is more complex than budgeting a non-farm family's expenses. However, taking time to plan now can help you get to where your family wants to be in the future.

Do you know how much you spend on family living expenses? Most families don't, but finding out is the first step in taking charge of your finances. To facilitate keeping better track of expenses, write checks for as many personal expenses as possible. Note the type of expense on each check.

Family living and personal expenses may be posted check-by-check or summarized on a monthly basis. If you want a detailed record, post each expense on pages A-10a and A-10b. If you only wish to summarize your monthly expenses, enter the monthly totals on pages A-10a and A-10b. Regardless of the entry method chosen, to balance your record with your business checking account, all family living and personal expenses that clear the business checking account must be accounted for on the "Expenses" pages A-8a and A-8b.

NOTES

Month _____ Year _____

FAMILY LIVING AND PERSONAL EXPENSES

L i n e	Total Amount	Month, Accounting Period, Or Special Entries	Groceries	Meals Outside The Home	Clothing	Education	Recreation	Family Auto Repair	Family Auto Operation	Gifts	Household Supplies	Household Furnishing and Improvement	L i n e
1													1
2													2
3													3
4													4
5													5
6													6
7													7
8													8
9													9
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30													
*	TOTALS												

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* Sum of amounts in column A should equal sum of totals in columns 1 through 22.

FARM ASSETS¹

Beginning Balance as of _____, _____
Date Year

Ending Balance as of _____, _____
Date Year

	Beginning Balance	Ending Balance	Beginning Balance	Ending Balance	Beginning Balance	Ending Balance	Beginning Balance	Ending Balance	Beginning Balance	Ending Balance
Cash and Checking										
Description	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Quantity	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Market Value Per Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Tax Basis, Total	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Accounts Receivable										
Description	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Quantity	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Market Value Per Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Tax Basis, Total	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Prepaid Expenses										
Description	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Quantity	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Market Value Per Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Tax Basis, Total	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Cash Investment, Growing Crops										
Description	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Quantity	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Market Value Per Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Tax Basis, Total	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____

FARM ASSETS¹ (continued)

Beginning Balance as of _____, _____
Date Year

Ending Balance as of _____, _____
Date Year

	Beginning Balance	Ending Balance	Beginning Balance	Ending Balance	Beginning Balance	Ending Balance	Beginning Balance	Ending Balance	Beginning Balance	Ending Balance
Contracts & Notes Receivable										
Description	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Number of Units	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Market Value Per Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Cost Per Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Tax Basis, Total	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Purchase Date (M/D/Y)	_____		_____		_____		_____		_____	
Useful Life ²	_____		_____		_____		_____		_____	
Salvage Value ³	_____		_____		_____		_____		_____	
Sales This Period, Unit	_____		_____		_____		_____		_____	
Sale Price Per Unit	_____		_____		_____		_____		_____	
Investment in Cooperatives										
Description	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Number of Units	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Market Value Per Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Cost Per Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Tax Basis, Total	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Purchase Date (M/D/Y)	_____		_____		_____		_____		_____	
Useful Life ²	_____		_____		_____		_____		_____	
Salvage Value ³	_____		_____		_____		_____		_____	
Sales This Period, Unit	_____		_____		_____		_____		_____	
Sale Price Per Unit	_____		_____		_____		_____		_____	

FARM ASSETS¹ (continued)

Beginning Balance as of _____, _____
Date Year Ending Balance as of _____, _____
Date Year

Other Non-Current Assets	Beginning Balance	Ending Balance	Beginning Balance	Ending Balance	Beginning Balance	Ending Balance	Beginning Balance	Ending Balance	Beginning Balance	Ending Balance
Description	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Number of Units	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Market Value Per Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Cost Per Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Purchase Date (M/D/Y)	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Tax Basis, Total	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Useful Life ²	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Salvage Value ³	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Sales This Period, Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Sale Price Per Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____

¹ Check Receipts page A-4b for records of asset sales and Expense page A-5b for records of asset purchases. Cross-reference numbers with itemized listings in C-1 through C-5 and depreciation records in C-6a through C-8b.

² Should match total on Livestock Depreciation Record on page C-7.

³ Estimated years of useful life from date of purchase.

⁴ Estimated market value at end of useful life.

⁵ Number sold plus number dead or lost.

⁶ Estimated cost to raise animal from birth to this stage of maturity.

EXAMPLE: Replacement beef cows are transferred in 3 stages (other breeding stock may be transferred in more or less stages). Heifer calves are classified as marketable livestock (current assets) until weaning.

Stage 1: Heifers identified as replacements are entered in the Replacement Heifers category at the cost to raise to weaning. Prior stage cost is zero.

State 2: When bred, these heifers are transferred to the Bred Heifer category at the total cost from birth to This stage. Prior stage cost is that for replacement heifers (birth to weaning).

Stage 3: Bred Heifers are transferred to the Mature Cow category at the time of first calf. Prior stage cost is that for bred heifers (birth to breeding).

⁷ Estimated cost to raise animal from birth to the previous stage of maturity. See example above.

⁸ Include death loss.

⁹ Should match total on Machinery & Equipment Depreciation Record on page C-6.

¹⁰ Should match total on Building & Improvement Depreciation Record on page C-8.

FARM LIABILITIES

Beginning Balance as of _____, _____
Date Year

Ending Balance as of _____, _____
Date Year

Accounts & Notes Payable:

Description				
Payment Frequency ¹				
Month(s) Payment Due:				
This Year				
Next Year				
Interest Rate				
Payment Amount				
Interest Accrued				
Principal Balance				
Interest Due This Year				
Principal Due This Year				

Line of Credit Operating Notes:

Description				
Payment Frequency ¹				
Month Payment(s)				
Due:				
This Year				
Next Year				
Interest Rate				
Payment Amount				
Interest Accrued				
Principal Balance				
Interest Due This Year				
Principal Due This Year				

FARM LIABILITIES (continued)

Beginning Balance as of _____, _____
Date Year

Ending Balance as of _____, _____
Date Year

Short Term Operating Notes:

Description					
Payment Frequency ¹					
Month Payment(s) Due:					
This Year					
Next Year					
Interest Rate					
Payment Amount					
Interest Accrued					
Principal Balance					
Interest Due This Year					
Principal Due This Year					

Taxes Payable:

Description					
Payment Frequency ¹					
Month(s) Payment Due:					
This Year					
Next Year					
Payment Amount					

Other Accrued Expenses:

Description					
Payment Frequency ¹					
Month(s) Payment Due:					
This Year					
Next Year					
Payment Amount					

FARM LIABILITIES (continued)

Beginning Balance as of _____, _____
Date Year

Ending Balance as of _____, _____
Date Year

Other Current Liabilities:				
Description	_____	_____	_____	_____
Payment Frequency ¹	_____	_____	_____	_____
Month(s) Payment Due:	_____	_____	_____	_____
This Year	_____	_____	_____	_____
Next Year	_____	_____	_____	_____
Payment Amount	_____	_____	_____	_____
Non-Real Estate Notes:				
Description	_____	_____	_____	_____
Payment Frequency ¹	_____	_____	_____	_____
Month Payment(s) Due:	_____	_____	_____	_____
This Year	_____	_____	_____	_____
Next Year	_____	_____	_____	_____
Interest Rate	_____	_____	_____	_____
Payment Amount	_____	_____	_____	_____
Interest Accrued	_____	_____	_____	_____
Principal Balance	_____	_____	_____	_____
Interest Due This Year	_____	_____	_____	_____
Principal Due This Year	_____	_____	_____	_____

FARM LIABILITIES (continued)

Beginning Balance as of _____, _____ Year Ending Balance as of _____, _____ Year
Date Year Date Year

Real Estate Notes:				
Description				
Payment Frequency ¹				
Month Payment(s) Due:				
This Year				
Next Year				
Interest Rate				
Payment Amount				
Interest Accrued				
Principal Balance				
Interest Due This Year				
Principal Due This Year				
Other Non-Current Liabilities:				
Description				
Payment Frequency ¹				
Month Payment(s) Due:				
This Year				
Next Year				
Interest Rate				
Payment Amount				
Interest Accrued				
Principal Balance				
Interest Due This Year				
Principal Due This Year				

¹Annual, semi-annual, quarterly, monthly

NON-FARM ASSETS

Beginning Balance as of _____, _____
Date Year

Ending Balance as of _____, _____
Date Year

	Beginning Balance	Ending Balance	Beginning Balance	Ending Balance	Beginning Balance	Ending Balance	Beginning Balance	Ending Balance	Beginning Balance	Ending Balance
Cash and Checking										
Description	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Quantity	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Market Value Per Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Tax Basis, Total	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Savings										
Description	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Quantity	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Market Value Per Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Tax Basis, Total	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Marketable Securities										
Description	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Quantity	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Market Value Per Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Tax Basis, Total	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Accounts Receivable										
Description	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Quantity	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Market Value Per Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Tax Basis, Total	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____

NON-FARM ASSETS (continued)

Beginning Balance as of _____, _____
Date Year

Ending Balance as of _____, _____
Date Year

Other Non-Current Assets	Beginning Balance	Ending Balance	Beginning Balance	Ending Balance	Beginning Balance	Ending Balance	Beginning Balance	Ending Balance	Beginning Balance	Ending Balance
Description	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Number of Units	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Market Value Per Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Cost Per Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Purchase Date (M/D/Y)	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Tax Basis, Total	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Useful Life ¹	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Salvage Value ²	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Sales This Period, Unit ³	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
Sale Price Per Unit	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____

¹ Estimated years of useful life from date of purchase
² Estimated market value at end of useful life
³ Number sold plus units lost

NON-FARM LIABILITIES

Beginning Balance as of _____, _____
Date Year

Ending Balance as of _____, _____
Date Year

Accounts & Notes Payable:

Description					
Payment Frequency ¹					
Month(s) Payment Due:					
This Year					
Next Year					
Interest Rate					
Payment Amount					
Interest Accrued					
Principal Balance					
Interest Due This Year					
Principal Due This Year					

Line of Credit Operating Notes:

Description					
Payment Frequency ¹					
Month Payment(s)					
Due:					
This Year					
Next Year					
Interest Rate					
Payment Amount					
Interest Accrued					
Principal Balance					
Interest Due This Year					
Principal Due This Year					

NON-FARM LIABILITIES (continued)

Beginning Balance as of _____, _____
Date Year

Ending Balance as of _____, _____
Date Year

Short Term Operating Notes:				
Description	_____	_____	_____	_____
Payment Frequency ¹	_____	_____	_____	_____
Month Payment(s) Due:	_____	_____	_____	_____
This Year	_____	_____	_____	_____
Next Year	_____	_____	_____	_____
Interest Rate	_____	_____	_____	_____
Payment Amount	_____	_____	_____	_____
Interest Accrued	_____	_____	_____	_____
Principal Balance	_____	_____	_____	_____
Interest Due This Year	_____	_____	_____	_____
Principal Due This Year	_____	_____	_____	_____
Taxes Payable:				
Description	_____	_____	_____	_____
Payment Frequency ¹	_____	_____	_____	_____
Month(s) Payment Due:	_____	_____	_____	_____
This Year	_____	_____	_____	_____
Next Year	_____	_____	_____	_____
Payment Amount	_____	_____	_____	_____
Other Accrued Expenses:				
Description	_____	_____	_____	_____
Payment Frequency ¹	_____	_____	_____	_____
Month(s) Payment Due:	_____	_____	_____	_____
This Year	_____	_____	_____	_____
Next Year	_____	_____	_____	_____
Payment Amount	_____	_____	_____	_____

NON-FARM LIABILITIES (continued)

Beginning Balance as of _____, _____
Date Year

Ending Balance as of _____, _____
Date Year

Other Current Liabilities:				
Description	_____	_____	_____	_____
Payment Frequency ¹	_____	_____	_____	_____
Month(s) Payment Due:	_____	_____	_____	_____
This Year	_____	_____	_____	_____
Next Year	_____	_____	_____	_____
Payment Amount	_____	_____	_____	_____
Non-Real Estate Notes:				
Description	_____	_____	_____	_____
Payment Frequency ¹	_____	_____	_____	_____
Month Payment(s) Due:	_____	_____	_____	_____
This Year	_____	_____	_____	_____
Next Year	_____	_____	_____	_____
Interest Rate	_____	_____	_____	_____
Payment Amount	_____	_____	_____	_____
Interest Accrued	_____	_____	_____	_____
Principal Balance	_____	_____	_____	_____
Interest Due This Year	_____	_____	_____	_____
Principal Due This Year	_____	_____	_____	_____

NON-FARM LIABILITIES (continued)

Beginning Balance as of _____, _____
Date Year

Ending Balance as of _____, _____
Date Year

Real Estate Notes:									
Description									
Payment Frequency ¹									
Month Payment(s) Due This Year									
Month Payment(s) Due Next Year									
Interest Rate									
Payment Amount									
Interest Accrued									
Principal Balance									
Interest Due This Year									
Principal Due This Year									

¹Annual, semi-annual, quarterly, monthly

EMPLOYEE INFORMATION AND EXAMPLE

Proper employee information reporting is a continuing problem for many farmers and ranchers. The IRS defines a common-law employee as an individual who performs services subject to the will and control of an employer, as to both what must be done and how it must be done. Two usual characteristics of an employer-employee relationship are that the employer has the right to discharge the employee and the employer supplies the employee with tools and a place to work. If you have an employer-employee relationship, it makes no difference how it is described. It does not matter if the employee is called an employee, or a partner, agent, or independent contractor. Further, it does not matter how the payments are measured, how they are made, or what they are called. An employer must generally withhold income taxes and social security taxes on wages paid to an employee.

Agricultural employees whose cash wages are subject to social security taxes are not required to have income tax withheld on their cash wages. You should ask each new employee to give you a Form W-4 on or before his or her first day of work. This certificate is effective for the first payment of wages and will last until the employee files another Form W-4. If an employee does not give you a Form W-4, you must withhold tax as if the employee were a single person who has claimed no withholding allowances.

You, as an employer, must collect and pay the employee's part of social security tax and you must pay a matching amount. For 2002, the wage base was \$84,900 for social security and is unlimited for Medicare; the social security tax rate was 6.2% each for employers and employees; and the Medicare rate was 1.45% each for employers and employees. These bases and rates change frequently; refer to IRS Publication 225 "Farmer's Tax Guide" or Publication 51 "Circular A, Agricultural Employer's Tax Guide" for the current base amounts and rates.

Social Security taxes and income tax withholding apply to all cash wages you paid during the year to an employee for farm and ranch work if either of the two tests below is met:

1. You pay \$2,500 or more during the year to all employees for agricultural labor.
2. You pay cash wages to an employee of \$150 or more in a year. The \$150 test applies separately to each employee you employ. If you employ a family of workers, each member is treated as a separate employee.

Some employers and employees have utilized non-cash wages as means of avoiding the social security and income tax withholding requirement.

If you are required to report wages, withheld income tax, or social security taxes, you must have an employer identification number (EIN) – a nine digit number separated as follows: 00-0000000. If you do not have an employer identification number, apply for one on Form SS-4, Application for Employer Identification Number, available at any IRS district office or Social Security Administration office or by calling 1-800-829-3676, or on-line at www.irs.gov.

Number of Exemptions: (FED) _____ (STATE) _____
 Additional Withholding: (FED) _____ (STATE) _____

Payroll Period Ending	Total Hours	Gross Wages		Withholdings							Net Pay			
				FICA		Federal Tax		State Tax		Other:				
J U L	15	Non-cash Bonus	1,000	00	- 0	-	- 0	-	- 0	-		1,000	00	
	31		1,500	00	114	75	151	00	29	24		1,205	01	
	Monthly Total			2,500	00	114	75	151	00	29	24		2,205	01
A U G	31		1,500	00	114	75	151	00	29	24		1,205	01	
	Monthly Total			1,500	00	114	75	151	00	29	24		1,205	01
	Quarterly Total			5,500	00	344	25	453	00	87	72		4,615	03
S E P	30		1,500	00	114	75	151	00	29	24		1,205	01	
	Monthly Total			1,500	00	114	75	151	00	29	24		1,205	01
	Quarterly Total			5,500	00	344	25	453	00	87	72		4,615	03
O C T	31		1,500	00	114	75	151	00	29	24		1,205	01	
	Monthly Total			1,500	00	114	75	151	00	29	24		1,205	01
	Quarterly Total			5,500	00	344	25	453	00	87	72		4,615	03
N O V	30		2,000	00	153	00	195	00	37	32		1,614	68	
	Monthly Total			2,000	00	153	00	195	00	37	32		1,614	68
	Quarterly Total			5,500	00	420	75	541	00	103	88		4,434	37
D E C	31		2,000	00	153	00	195	00	37	32		1,614	68	
	Monthly Total			2,000	00	153	00	195	00	37	32		1,614	68
	Year to Date Total			11,000	00	765	00	994	00	191	60		9,049	40

EMPLOYEE EARNINGS RECORD

Year _____

Employee's Name: _____
 Address: _____
 City: _____ State: _____ Zip: _____
 Social Security Number: _____

Number of Exemptions: (FED) _____ (STATE) _____

Additional Withholding: (FED) _____ (STATE) _____

Payroll Period Ending	Total Hours	Gross Wages	Withholdings				Net Pay
			FICA	Federal Tax	State Tax	Other:	
J							
A							
N							
Monthly Total							
F							
E							
B							
Monthly Total							
M							
A							
R							
Monthly Total							
Quarterly Total							
A							
P							
R							
Monthly Total							
M							
A							
Y							
Monthly Total							
J							
U							
N							
Monthly Total							
Quarter Total							
Year to Date Total							

Payroll Period Ending	Total Hours	Gross Wages	Withholdings				Net Pay
			FICA	Federal Tax	State Tax	Other:	
J							
U							
L							
Monthly Total							
A							
U							
G							
Monthly Total							
S							
E							
P							
Monthly Total							
Quarterly Total							
O							
C							
T							
Monthly Total							
N							
O							
V							
Monthly Total							
D							
E							
C							
Monthly Total							
Quarter Total							
Year to Date Total							

EMPLOYEE EARNINGS RECORD

Year _____

Employee's Name: _____
 Address: _____
 City: _____ State: _____ Zip: _____
 Social Security Number: _____

Number of Exemptions: (FED) _____ (STATE) _____

Additional Withholding: (FED) _____ (STATE) _____

Payroll Period Ending	Total Hours	Gross Wages	Withholdings				Net Pay
			FICA	Federal Tax	State Tax	Other:	
J							
A							
N							
Monthly Total							
F							
E							
B							
Monthly Total							
M							
A							
R							
Monthly Total							
Quarterly Total							
A							
P							
R							
Monthly Total							
M							
A							
Y							
Monthly Total							
J							
U							
N							
Monthly Total							
Quarter Total							
Year to Date Total							

Payroll Period Ending	Total Hours	Gross Wages	Withholdings				Net Pay
			FICA	Federal Tax	State Tax	Other:	
J							
U							
L							
Monthly Total							
A							
U							
G							
Monthly Total							
S							
E							
P							
Monthly Total							
Quarterly Total							
O							
C							
T							
Monthly Total							
N							
O							
V							
Monthly Total							
D							
E							
C							
Monthly Total							
Quarter Total							
Year to Date Total							

FORM 1099 INFORMATION AND EXAMPLES

An employer does not generally have to withhold or pay any taxes on payments to independent contractors. However, if you make total payments of \$600 or more during a calendar year to another person (other than a corporation) in the course of your farm business, you must file information returns (Form 1099) to report these payments. You report interest payments, including interest paid on installment sale contracts, of \$600 or more on form 1099-INT. Payments of \$600 or more made for rents, commissions, fees, prizes, awards, independent contractors, and other payments and compensation, including payments to subcontractors and payments for services provided to you by nonemployees are reported on Form 1099-MISC.

If you pay a contractor who is not a dealer in supplies for both supplies and services, you must report both the payment for the supplies and for services.

You must prepare separate copies of Form 1099-INT and form 1099-MISC for each person. Each person who received payments totaling \$600 or more for the calendar year for the items described above must be given a statement by January 31 of the following year.

If you classify an employee as an independent contractor and you had no reasonable basis for doing so, you will have to pay employment taxes for that worker. Further, if you do not withhold income and social security taxes from his or her wages, you may be held personally liable for a penalty of 100% of the tax if you are the person responsible for the collection and payment of withholding taxes.

You must use a separate transmittal, Form 1096, Annual Summary and Transmittal of U.S. Information Returns, for each different type of 1099 form, i.e. Form 1099-INT and Form 1099-MISC. You may be subject to a \$50 penalty for each incorrectly filed document.

Additional information relative to Form 1099 reporting can be found in IRS Publication 225 "Farmer's Tax Guide" or in an IRS booklet titled "2002 Instructions for Forms 1099, 1098, 5498, 1096, and W-2G".

Independent Contractor, Landlord, Lender, ETC.	Date	Rent, Interest, Machine Hire, ETC.	Amount	
Name: <i>Sam Smith</i>	1-15	<i>Grass Rent</i>	800	00
SSN or EIN: 333-22-4444	1-21	<i>Combining Milo</i>	1,054	50
Address: <i>RR #1, Box 99</i>				
<i>Anytown, OK 77777</i>				
		Total	1,854	50
Name: <i>Andy Over</i>	5-10	<i>Spray Wheat</i>	1,200	00
SSN or EIN: 123-45-6789	8-7	<i>Spray Alfalfa</i>	860	00
Address: <i>Box 999</i>				
<i>Anytown, OK 77777</i>				
		Total	2,060	00
Name: <i>Smith Bros.</i>	7-2	<i>Combining Wheat</i>	8,800	00
SSN or EIN: 22-7777777				
Address: <i>Rt #1, Box 99</i>				
<i>Anytown, OK 77777</i>				
		Total	8,800	00
Name:				
SSN or EIN:				
Address:				
		Total		

FORM 1099 INFORMATION

You must file informational returns (Form 1099) to report payments of \$600 or more to independent contractors for services performed for your farming businesses.

Independent Contractor, Landlord, Lender, etc.	Date	Rent, Interest, Machine Hire, etc.	Amount
Name:			
SSN or EIN			
Address:			
		Total	
Name:			
SSN or EIN			
Address:			
		Total	
Name:			
SSN or EIN			
Address:			
		Total	
Name:			
SSN or EIN			
Address:			
		Total	
Name:			
SSN or EIN			
Address:			
		Total	
Name:			
SSN or EIN			
Address:			
		Total	

Independent Contractor, Landlord, Lender, etc.	Date	Rent, Interest, Machine Hire, etc.	Amount
Name:			
SSN or EIN			
Address:			
		Total	
Name:			
SSN or EIN			
Address:			
		Total	
Name:			
SSN or EIN			
Address:			
		Total	
Name:			
SSN or EIN			
Address:			
		Total	
Name:			
SSN or EIN			
Address:			
		Total	

FORM 1099 INFORMATION

You must file informational returns (Form 1099) to report payments of \$600 or more to independent contractors for services performed for your farming businesses.

Independent Contractor, Landlord, Lender, etc.	Date	Rent, Interest, Machine Hire, etc.	Amount
Name:			
SSN or EIN			
Address:			
		Total	
Name:			
SSN or EIN			
Address:			
		Total	
Name:			
SSN or EIN			
Address:			
		Total	
Name:			
SSN or EIN			
Address:			
		Total	
Name:			
SSN or EIN			
Address:			
		Total	
Name:			
SSN or EIN			
Address:			
		Total	

Independent Contractor, Landlord, Lender, etc.	Date	Rent, Interest, Machine Hire, etc.	Amount
Name:			
SSN or EIN			
Address:			
		Total	
Name:			
SSN or EIN			
Address:			
		Total	
Name:			
SSN or EIN			
Address:			
		Total	
Name:			
SSN or EIN			
Address:			
		Total	
Name:			
SSN or EIN			
Address:			
		Total	

BEEF COW PRODUCTION ANALYSIS*

Cow's ID	BREEDING				CALVING					WEANING		205-DAY		YEARLING		365-DAY		COW: WEANING	
	Est. Date Bred	Bull No.	Est. Calving Date	Preg. Check Results	Birth Date	Calf No.	Birth Wt.	Sex	Calving Ease	Date	Calf Wt.	Adj. Wt.	Wt. Ratio	Date	Wt.	Adj. Wt.	Wt. Ratio	Wt.	Condition Score
Averages:																			

Sex Code: 1=Bull, 2=Heifer, 3=Steer

Calving Ease: 1=No Assistance, 2=Easy Pull, 3=Hard Pull, 4=Caesarean, 5=Abnormal Birth

Condition Score: Visual score 1 to 9, 1=very thin, 9=very fat

* Cross-reference with other livestock pages: A-11c, A-19, and C-2.

YEAR: _____

FORAGE AND CROP PRODUCTION RECORD¹

Field	Crop	Seed Used			Chemical Applied				N LBS/A	P LBS/A	K LBS/A	Lime TON/A	Total Yield	Grain Yield /Acre	Beef Yield /Acre
		Rate/A	Variety	Date	Name	Date	Rate/A	Cost/A							
FSA Farm Number: _____									_____ Air _____ Ground; By _____; Nozzle # _____ @ _____ PSI in _____ gals spray/A.						
Farm Plan Completion Date: _____ / ____ / ____									_____ Air _____ Ground; By _____; Nozzle # _____ @ _____ PSI in _____ gals spray/A.						
Soil Type: _____									Also note: The chemicals(s) _____ have crop or re-entry restrictions as follows: _____						
Date and Results of Last Soil Test: _____ / ____ / ____									Special Problems (weeds, insects, and diseases): _____						
PH _____ B.I. _____ N _____ P _____ K _____															
FSA Farm Number: _____									_____ Air _____ Ground; By _____; Nozzle # _____ @ _____ PSI in _____ gals spray/A.						
Farm Plan Completion Date: _____ / ____ / ____									_____ Air _____ Ground; By _____; Nozzle # _____ @ _____ PSI in _____ gals spray/A.						
Soil Type: _____									Also note: The chemicals(s) _____ have crop or re-entry restrictions as follows: _____						
Date and Results of Last Soil Test: _____ / ____ / ____									Special Problems (weeds, insects, and diseases): _____						
PH _____ B.I. _____ N _____ P _____ K _____															
FSA Farm Number: _____									_____ Air _____ Ground; By _____; Nozzle # _____ @ _____ PSI in _____ gals spray/A.						
Farm Plan Completion Date: _____ / ____ / ____									_____ Air _____ Ground; By _____; Nozzle # _____ @ _____ PSI in _____ gals spray/A.						
Soil Type: _____									Also note: The chemicals(s) _____ have crop or re-entry restrictions as follows: _____						
Date and Results of Last Soil Test: _____ / ____ / ____									Special Problems (weeds, insects, and diseases): _____						
PH _____ B.I. _____ N _____ P _____ K _____															
FSA Farm Number: _____									_____ Air _____ Ground; By _____; Nozzle # _____ @ _____ PSI in _____ gals spray/A.						
Farm Plan Completion Date: _____ / ____ / ____									_____ Air _____ Ground; By _____; Nozzle # _____ @ _____ PSI in _____ gals spray/A.						
Soil Type: _____									Also note: The chemicals(s) _____ have crop or re-entry restrictions as follows: _____						
Date and Results of Last Soil Test: _____ / ____ / ____									Special Problems (weeds, insects, and diseases): _____						
PH _____ B.I. _____ N _____ P _____ K _____															

¹ Cross-reference with Forage and Crop Production Record, page C-9.