SCHEDULE F (Form 1040)

Department of the Treasury Internal Revenue Service (99)

Profit or Loss From Farming

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

▶ See Instructions for Schedule F (Form 1040).

OMB No. 1545-0074

1996

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** Enter principal agricultural activity code (from page 2) ▶
C Accounting method: (1) ☐ Cash (2) ☐ Accrual	**D** Employer ID number (EIN), if any

E Did you "materially participate" in the operation of this business during 1996? If "No," see page F-2 for limit on passive losses. ☐ Yes ☐ No

Part I Farm Income—Cash Method. Complete Parts I and II (Accrual method taxpayers complete Parts II and III, and line 11 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 reported on line 1	2			
3	Subtract line 2 from line 1			3	
4	Sales of livestock, produce, grains, and other products you raised			4	
5a	Total cooperative distributions (Form(s) 1099-PATR)	5a	5b Taxable amount	5b	
6a	Agricultural program payments (see page F-2)	6a	6b Taxable amount	6b	
7	Commodity Credit Corporation (CCC) loans (see page F-2):				
a	CCC loans reported under election			7a	
b	CCC loans forfeited	7b	7c Taxable amount	7c	
8	Crop insurance proceeds and certain disaster payments (see page F-2):				
a	Amount received in 1996	8a	8b Taxable amount	8b	
c	If election to defer to 1997 is attached, check here ▶ ☐		8d Amount deferred from 1995	8d	
9	Custom hire (machine work) income			9	
10	Other income, including Federal and state gasoline or fuel tax credit or refund (see page F-2)			10	
11	**Gross income.** Add amounts in the right column for lines 3 through 10. If accrual method taxpayer, enter the amount from page 2, line 51 ▶			11	

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

12	Car and truck expenses (see page F-3—also attach **Form 4562**)	12		25	Pension and profit-sharing plans	25	
13	Chemicals	13		26	Rent or lease (see page F-4):		
14	Conservation expenses (see page F-3)	14		a	Vehicles, machinery, and equipment	26a	
15	Custom hire (machine work)	15		b	Other (land, animals, etc.)	26b	
16	Depreciation and section 179 expense deduction not claimed elsewhere (see page F-4)	16		27	Repairs and maintenance	27	
				28	Seeds and plants purchased	28	
				29	Storage and warehousing	29	
17	Employee benefit programs other than on line 25	17		30	Supplies purchased	30	
				31	Taxes	31	
18	Feed purchased	18		32	Utilities	32	
19	Fertilizers and lime	19		33	Veterinary, breeding, and medicine	33	
20	Freight and trucking	20		34	Other expenses (specify):		
21	Gasoline, fuel, and oil	21		a		34a	
22	Insurance (other than health)	22		b		34b	
23	Interest:			c		34c	
a	Mortgage (paid to banks, etc.)	23a		d		34d	
b	Other	23b		e		34e	
24	Labor hired (less employment credits)	24		f		34f	

35	**Total expenses.** Add lines 12 through 34f ▶	35	
36	**Net farm profit or (loss).** Subtract line 35 from line 11. If a profit, enter on **Form 1040, line 18,** and ALSO on **Schedule SE, line 1.** If a loss, you MUST go on to line 37 (estates, trusts, and partnerships, see page F-5)	36	

37 If you have a loss, you MUST check the box that describes your investment in this activity (see page F-5).
If you checked 37a, enter the loss on **Form 1040, line 18,** and ALSO on **Schedule SE, line 1.**
If you checked 37b, you MUST attach **Form 6198.**

37a ☐ All investment is at risk.
37b ☐ Some investment is not at risk.

Part III Farm Income—Accrual Method (see page F-5)

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 46 below.

38	Sales of livestock, produce, grains, and other products during the year		38	
39a	Total cooperative distributions (Form(s) 1099-PATR)	39a	39b Taxable amount	39b	
40a	Agricultural program payments	40a	40b Taxable amount	40b	
41	Commodity Credit Corporation (CCC) loans:			
a	CCC loans reported under election		41a	
b	CCC loans forfeited	41b	41c Taxable amount	41c	
42	Crop insurance proceeds		42	
43	Custom hire (machine work) income		43	
44	Other income, including Federal and state gasoline or fuel tax credit or refund		44	
45	Add amounts in the right column for lines 38 through 44		45	
46	Inventory of livestock, produce, grains, and other products at beginning of the year	46		
47	Cost of livestock, produce, grains, and other products purchased during the year	47		
48	Add lines 46 and 47	48		
49	Inventory of livestock, produce, grains, and other products at end of year	49		
50	Cost of livestock, produce, grains, and other products sold. Subtract line 49 from line 48*		50	
51	**Gross income.** Subtract line 50 from line 45. Enter the result here and on page 1, line 11 ▶		51	

*If you use the unit-livestock-price method or the farm-price method of valuing inventory and the amount on line 49 is larger than the amount on line 48, subtract line 48 from line 49. Enter the result on line 50. Add lines 45 and 50. Enter the total on line 51.

Part IV Principal Agricultural Activity Codes

Caution: *File **Schedule C** (Form 1040), Profit or Loss From Business, or **Schedule C-EZ** (Form 1040), Net Profit From Business, instead of Schedule F 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, or*
- *You are engaged in the business of breeding, raising, and caring for dogs, cats, or other pet animals.*

Select one of the following codes and write the 3-digit number on page 1, line B:

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 bees, fur-bearing animals, horses, snakes, 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