

**SCHEDULE F
(Form 1040)**

Profit or Loss From Farming

OMB No. 1545-0074

2010

Attachment
Sequence No. **14**

Department of the Treasury
Internal Revenue Service (99)

▶ **Attach to Form 1040, Form 1040NR, Form 1041, Form 1065, or Form 1065-B.**
▶ **See Instructions for Schedule F (Form 1040).**

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 code from Part IV
▶ _____

C Accounting method: (1) Cash (2) Accrual

E Did you "materially participate" in the operation of this business during 2010? If "No," see instructions for limit on passive losses. Yes No

Part I Farm Income—Cash Method. Complete Parts I and II (Accrual method. Complete Parts II and III, and Part I, line 11.) 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	Cooperative distributions (Form(s) 1099-PATR)	5a			5b	Taxable amount
6a	Agricultural program payments (see instructions)	6a			6b	Taxable amount
7	Commodity Credit Corporation (CCC) loans (see instructions):					
a	CCC loans reported under election				7a	
b	CCC loans forfeited	7b			7c	Taxable amount
8	Crop insurance proceeds and federal crop disaster payments (see instructions):					
a	Amount received in 2010	8a			8b	Taxable amount
c	If election to defer to 2011 is attached, check here <input type="checkbox"/>				8d	Amount deferred from 2009
9	Custom hire (machine work) income				9	
10	Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)				10	
11	Gross income. Add amounts in the right column for lines 3 through 10. If you use the accrual method to figure your income, enter the amount from Part III, line 51				11	

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

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

35 Total expenses. Add lines 12 through 34f. If line 34f is negative, see instructions

36 Net farm profit or (loss). Subtract line 35 from line 11. Partnerships, see instructions.

- If a profit, enter the profit on both **Form 1040, line 18,** and **Schedule SE, line 1a;** on **Form 1040NR, line 19;** or on **Form 1041, line 6.**
- If a loss, you **must** go to line 37.

37 If you have a loss, you **must** check the box that describes your investment in this activity and whether you received any applicable subsidy (see instructions).

- If you checked 37a, enter the loss on both **Form 1040, line 18,** and **Schedule SE, line 1a;** on **Form 1040NR, line 19;** or on **Form 1041, line 6.**
- If you checked 37b, your loss may be limited. See instructions.

37a All investment is at risk and you did not receive a subsidy.

37b Some investment is not at risk or you received a subsidy.

Part III Farm Income—Accrual Method (see instructions).

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				38		
39a	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 Part I, 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 and on Part I, line 11.

Part IV Principal Agricultural Activity Codes



File Schedule C (Form 1040) or Schedule C-EZ (Form 1040) instead of Schedule F if **(a)** 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 **(b)** you are engaged in the business of breeding, raising, and caring for dogs, cats, or other pet animals.

These codes for the Principal Agricultural Activity classify farms by their primary activity to facilitate the administration of the Internal Revenue Code. These six-digit codes are based on the North American Industry Classification System (NAICS).

Select the code that best identifies your primary farming activity and enter the six digit number on page 1, line B.

Crop Production

- 111100 Oilseed and grain farming
- 111210 Vegetable and melon farming

- 111300 Fruit and tree nut farming
- 111400 Greenhouse, nursery, and floriculture production
- 111900 Other crop farming

Animal Production

- 112111 Beef cattle ranching and farming
- 112112 Cattle feedlots
- 112120 Dairy cattle and milk production
- 112210 Hog and pig farming
- 112300 Poultry and egg production
- 112400 Sheep and goat farming
- 112510 Aquaculture
- 112900 Other animal production

Forestry and Logging

- 113000 Forestry and logging (including forest nurseries and timber tracts)