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If you have any comments on this draft form, you can submit them to us on our web site. Include the word DRAFT in your response. You may make comments anonymously, or you may include your name and e-mail address or phone number. We will be unable to respond to all comments due to the high volume we receive. However, we will carefully consider each suggestion. So that we can properly consider your comments, please send them to us within 30 days from the date the draft was posted.

**SCHEDULE F  
(Form 1040)**

**Profit or Loss From Farming**

OMB No. 1545-0074

**2009**

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

**D** Employer ID number (EIN), if any

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

**E** Did you "materially participate" in the operation of this business during 2009? If "No," see page F-3 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	5b
6a	Agricultural program payments (see page F-3)	6a	6b	Taxable amount	6b
7	Commodity Credit Corporation (CCC) loans (see page F-3):				
a	CCC loans reported under election		7a		
b	CCC loans forfeited	7b	7c	Taxable amount	7c
8	Crop insurance proceeds and federal crop disaster payments (see page F-3):				
a	Amount received in 2009	8a	8b	Taxable amount	8b
c	If election to defer to 2010 is attached, check here <input type="checkbox"/>		8d	Amount deferred from 2008	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-4)		10		
11	<b>Gross income.</b> 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 page F-5). Also attach Form 4562	12	25	Pension and profit-sharing plans	25
13	Chemicals	13	26	Rent or lease (see page F-6):	
14	Conservation expenses (see page F-5)	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-5)	16	27	Repairs and maintenance	27
17	Employee benefit programs other than on line 25	17	28	Seeds and plants	28
18	Feed	18	29	Storage and warehousing	29
19	Fertilizers and lime	19	30	Supplies	30
20	Freight and trucking	20	31	Taxes	31
21	Gasoline, fuel, and oil	21	32	Utilities	32
22	Insurance (other than health)	22	33	Veterinary, breeding, and medicine	33
23	Interest:		34	Other expenses (specify):	
a	Mortgage (paid to banks, etc.)	23a	a	-----	34a
b	Other	23b	b	-----	34b
24	Labor hired (less employment credits)	24	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 page F-7.

- 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 (see page F-7).

- 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, you **must** attach **Form 6198**. Your loss may be limited.

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

**Part III Farm Income—Accrual Method** (see page F-7).

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.

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

\*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)