

Part I Farm Income – Cash Method – IRS Schedule F Accounts*

1a. Sales of Livestock and other resale items

- b. Cost or other basis of other items or other items reported in line 1a.
- c. Subtract line 1b from line 1a

2. Sales of livestock, produce, grains, and other products you raised.

Sales Accounts for cattle categories – Needs to define purchased versus raised **cattle. These are sales sub-accounts possibilities to choose from to set up in QuickBooksPro™ (QB).**

Purchased for Resale

- Replacement Heifer
- Feeder Steers & Heifers
- Finished Steers & Heifers

Raised Cattle

- Replacement Heifers
- Weaned Steers or Heifers
- Feeder Steers & Heifers
- Finished Steers & Heifers

Purchased Breeding Stock

- Breeding Cows
- Cull Cows
- Repl. Heifer Open
- Repl. Heifers Bred
- Cull Herd Bulls

Raised Breeding Stock

- Cull Cows
- Breeding Heifers or Cows
- Repl. Heifers Open
- Cull Repl. Heifers

Futures or Options (+/-) Risk Mgmt.

Crops and raised feed (add name detail as needed)

Other IRS Accounts in Part I of IRS Schedule F.

- 3a Cooperative Distribution
- 4a Agriculture program payments
- 5a Commodity Credit Cooperation
- b CCC Loan forfeited
- 6 Crop Insurance proceeds
- 7 Custom hire (machinery work) income
- 8 Other Income

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Notes on sales:

- a. Always use net values for sales. That is after all marketing costs are deducted.
- b. Purchase breeding stock are added to or remove from the depreciation schedule.
- c. Purchase date (IRS date put in service) and sale date of is required for breeding stock.

IRS Expenses Accounts – account numbers are from the IRS Schedule F*

- 10 Car and Truck
- 11 Chemicals
- 12 Conservation Expense
- 13 Custom Hire (machine work)
- 14 Depreciation
- 15 Employee Benefits Programs
- 16 Feed
 - Roughage
 - Complete Feed or Concentrate
 - Mineral & Salt
 - Protein Supplement
- 17 Fertilizer & Lime
- 18 Freight & Trucking
- 19 Gasoline, Fuel, & Oil
- 20 Insurance
- 21 Interest Expense
 - a. Mortgage
 - b. Other
- 22 Labor Hired
 - Salary
 - Payroll Expenses
 - Contract Labor
- 23 Pension & Profit-sharing Plans
- 24 Rents or Leases
 - a. Vehicles, Machinery, & Equipment
 - b. Other (land, animals, etc.)
- 25 Repairs & Maintenance
 - Vehicles
 - Machinery & Equipment
 - Buildings & Improvements
- 26 Seed & Plants
- 27 Storage and Warehousing
- 28 Supplies
- 29 Taxes (non-IRS)
- 30 Utilities
- 31 Veterinary & Medicine
 - Breeding
 - Herd Health and Vet
 - Processing
 - Treatment

- 32 Other Expenses (Specify) a-f
- a. Professional Fees
 - b. Cattle Purchased for Resale – by category
 - c. Other
 - d. Other
 - e. Other
 - f. Other

*Second level is a sub-account to add detail useful for cost accounting.

Owner Operator Compensation (Withdrawals Personal and Owner Operator Management - is not a Schedule F sole proprietor IRS account)

Office (user defined details) for Supplies, Utilities, Administrative Wages & Payroll

Indirect Expenses class that will be allocated to production activities to get **total unit cost.**

Suggested accounts and sub-accounts to record in the Indirect Expenses Class

Car and Truck Expense – seldom used as operating costs are recorded

Gasoline, Fuel, & Oil

Employee Benefits Programs

Hired Labor & Management

Salary

Payroll Expenses

Contract Labor (if can't be allocated directly to production activity)

Pension & Profit-sharing Plans

Rents or Leases

Vehicles, Machinery, & Equipment

Land - (Cash Lease)

Repairs & Maintenance (subcategory added)

Vehicles

Machinery & Equipment

Buildings & Improvements

Taxes (non-IRS)

Withdrawals – Owner Operator management and labor – not an IRS deductible cost.

Conservation Expense

Insurance

Utilities

Professional Fees

Office Supplies

Administrative Wages & Payroll

Any of these accounts can also be used to allocate as direct costs. For example, repair and maintenance of haying machinery could be charged directly to the class for the hay production activity.