



# REGIONAL 2005 FARM PRODUCTION EXPENDITURES SUMMARY

Released August 2006

U.S. Farm Production Expenditures totaled \$223.1 billion in 2005, up 5.3 percent from the revised 2004 total of \$211.8 billion. The largest contributors to the increase were Fuels up 26.3 percent; Taxes up 14.3 percent; Fertilizer, Lime, and Soil Conditioners up 12.3 percent; Livestock and Poultry Purchases up 11.5 percent; Farm Services up 9.7 percent; and Interest up 9.0 percent.

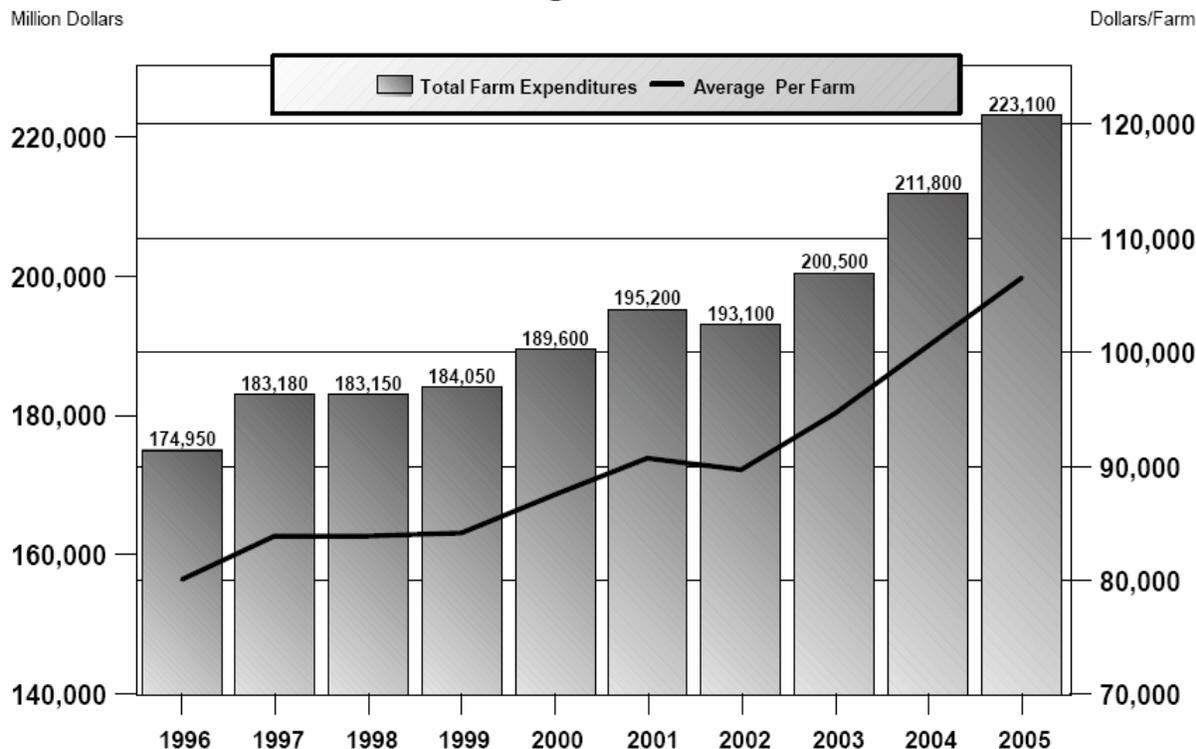
The rise in fuel expenditures were expected given the 2005 rise in crude oil prices and increased global demand for oil. Hurricane damage had a large influence on fuel prices and supply this year. Higher crude oil prices pressured the cost of fuel, fertilizer, chemicals, and transportation. Other upward influences on farm expenditures were biotech seed costs, increased broiler chick price, alfalfa winterkill in the upper Midwest requiring greater forage purchases, higher prices for dairy

replacement females, and repairs caused by storm damage in the South and Plains.

In 2005, the average U.S. Total Farm Expenditure was \$106,499 compared with \$100,498 as revised for 2004. On average, U.S. farm operations spent: \$14,034 on Farm Services, \$13,462 on Feed, \$10,216 on Livestock and Poultry Purchases, \$11,361 on Labor, and \$8,163 on Rent. Revised estimates for 2004 indicate U.S. farms spent an average of: \$12,716 on Farm Services, \$14,093 on Feed, \$9,110 on Livestock and Poultry Purchases, \$11,056 on Labor, and \$7,877 on Rent. Average Total Expenditures for large farms (\$1 million and over in sales) was \$2.37 million, 3.6 times larger than the next largest economic class.

NOTE: Regions consist of the following areas: Atlantic – CT, DE, KY, ME, MD, MA, NH, NJ, NY, NC, PA, RI, TN, VA; South – AL, AR, FL, GA, LA, MS, SC; Midwest – IL, IN, IA, MI, MN, MO, OH, WI; Plains – KS, NE, ND, OK, SD, TX; West – AZ, CA, CO, ID, MT, NV, NM, OR, UT, WA, WY.

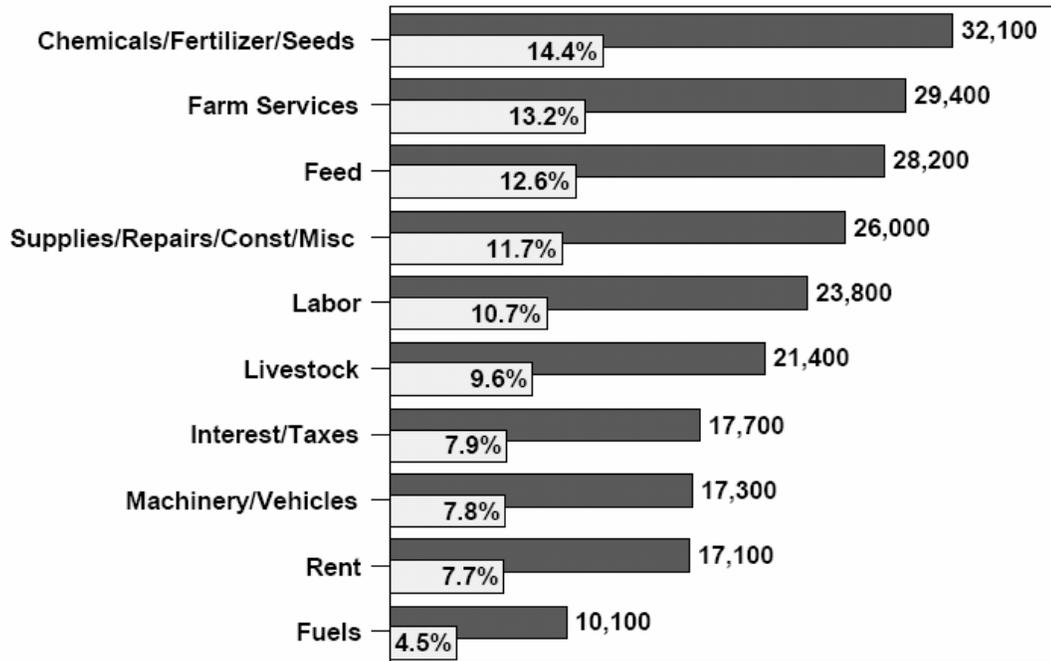
## U.S. Farm Production Expenditures Total and Average Per Farm, 1996 - 2005



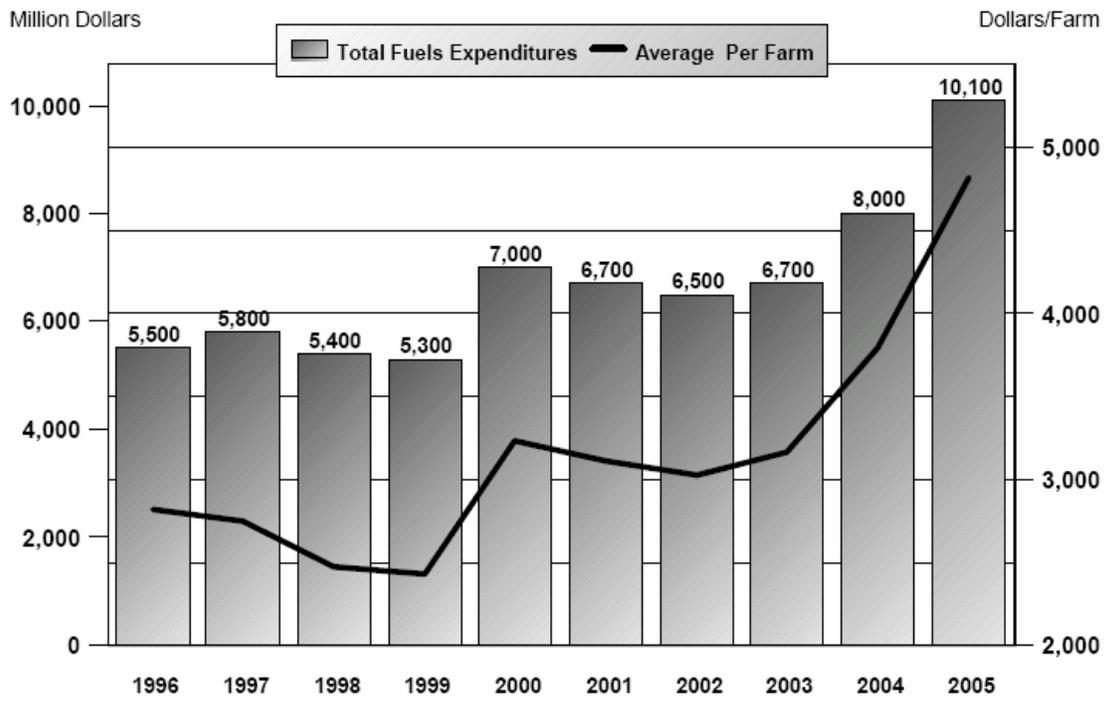
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## U.S. Farm Production Expenditures By Input Items, Expense, Percent of Total United States, 2005



## U.S. Fuel Production Expenditures Total and Average Per Farm, 1996 - 2005



**Farm Production Expenditures:  
Farms Reporting, Average per Farm, and Total,  
United States, 2004-05 <sup>1</sup>**

Expenditure	Farms Reporting <sup>12</sup>		Average per Farm <sup>13</sup>		Total Expenditures	
	2004	2005	2004	2005	2004	2005
	<i>Percent</i>	<i>Percent</i>	<i>Dollars</i>	<i>Dollars</i>	<i>Million Dollars</i>	<i>Million Dollars</i>
Total Farm Production Expenditures <sup>2 3</sup>	100.0	100.0	100,498	106,499	211,800	223,100
Livestock, Poultry & Related Expenses <sup>4</sup>	26.5	26.6	9,110	10,216	19,200	21,400
Feed	62.2	60.9	14,093	13,462	29,700	28,200
Farm Services <sup>5</sup>	95.6	94.7	12,716	14,034	26,800	29,400
Rent <sup>6</sup>	31.5	31.9	7,877	8,163	16,600	17,100
Agricultural Chemicals <sup>7</sup>	48.8	48.0	4,081	4,249	8,600	8,900
Fertilizer, Lime & Soil Conditioners <sup>7</sup>	57.8	53.5	5,409	6,110	11,400	12,800
Interest	39.7	40.8	4,223	4,630	8,900	9,700
Taxes (Real Estate & Property) <sup>15</sup>	98.8	99.7	3,321	3,819	7,000	8,000
Labor	34.6	34.8	11,056	11,361	23,300	23,800
Fuels	85.6	83.3	3,796	4,821	8,000	10,100
Farm Supplies & Repairs <sup>8</sup>	84.8	83.7	5,504	5,967	11,600	12,500
Farm Improvements & Construction <sup>9 10</sup>	59.5	57.3	5,979	6,110	12,600	12,800
Tractors and Self-Propelled Farm Machinery	23.3	24.9	4,128	4,058	8,700	8,500
Other Farm Machinery	28.2	29.2	2,040	1,957	4,300	4,100
Seeds & Plants <sup>11</sup>	45.7	42.5	4,555	4,965	9,600	10,400
Trucks & Autos	24.2	25.2	2,278	2,244	4,800	4,700

<sup>1</sup>Excludes AK and HI. <sup>2</sup> Total includes miscellaneous production expenses not allocated to any of the 16 expense categories published. Therefore, the sum of individual expenditure items will not add to totals. <sup>3</sup> Includes landlord and contractor share of farm production expenses. <sup>4</sup>Includes purchases and leasing of livestock and poultry. <sup>5</sup> Includes all crop custom work, veterinary services, custom feeding, transportation costs, marketing charges, insurance, leasing of machinery and equipment, miscellaneous business expenses, and utilities. <sup>6</sup> Includes public and private grazing fees. <sup>7</sup> Includes material and application costs. <sup>8</sup> Includes bedding and litter, marketing containers, power farm shop equipment, miscellaneous non-capital equipment and supplies, repairs and maintenance of livestock and poultry equipment, and capital equipment for livestock and poultry. <sup>9</sup> Includes all expenditures related to new construction or repairs of buildings, fences, operator dwelling (if dwelling is owned by operation), and any improvements to physical structures of land. <sup>10</sup> Changed in 2003 to include operator dwelling expenses (if dwelling is owned by operation) in 2003. <sup>11</sup> Excludes bedding plants, nursery stock, and seed purchased for resale. Includes seed treatment. <sup>12</sup> Number of farms reporting item divided by total number of farms. <sup>13</sup> Total expenditures divided by total number of farms. <sup>14</sup> Plains region consists of KS, NE, ND, OK, SD, and TX. <sup>15</sup> Landlord taxes were imputed at a higher rate starting in 2005.

**Farm Production Expenditures:  
Farms Reporting, Average per Farm, and Total,  
Plains Region, 2004-05 <sup>14</sup>**

Expenditure	Farms Reporting <sup>12</sup>		Average per Farm <sup>13</sup>		Total Expenditures	
	2004	2005	2004	2005	2004	2005
	<i>Percent</i>	<i>Percent</i>	<i>Dollars</i>	<i>Dollars</i>	<i>Million Dollars</i>	<i>Million Dollars</i>
Total Farm Production Expenditures <sup>2 3</sup>	100.0	100.0	96,901	101,580	47,210	49,490
Livestock, Poultry & Related Expenses <sup>4</sup>	28.7	29.5	15,374	17,652	7,490	8,600
Feed	68.9	68.0	12,521	11,248	6,100	5,480
Farm Services <sup>5</sup>	96.5	94.5	10,920	11,823	5,320	5,760
Rent <sup>6</sup>	36.4	41.4	8,559	8,621	4,170	4,200
Agricultural Chemicals <sup>7</sup>	46.7	48.6	3,469	3,592	1,690	1,750
Fertilizer, Lime & Soil Conditioners <sup>7</sup>	54.4	48.3	5,234	5,911	2,550	2,880
Interest	39.4	43.1	4,249	4,454	2,070	2,170
Taxes (Real Estate & Property) <sup>15</sup>	98.9	100.0	3,448	4,002	1,680	1,950
Labor	37.1	35.8	5,090	5,644	2,480	2,750
Fuels	83.8	81.5	4,269	5,255	2,080	2,560
Farm Supplies & Repairs <sup>8</sup>	81.9	80.6	5,296	5,337	2,580	2,600
Farm Improvements & Construction <sup>9 10</sup>	59.6	56.4	5,152	5,172	2,510	2,520
Tractors and Self-Propelled Farm Machinery	24.8	29.1	4,269	4,023	2,080	1,960
Other Farm Machinery	27.1	30.3	2,258	2,053	1,100	1,000
Seeds & Plants <sup>11</sup>	40.1	38.2	3,633	3,859	1,770	1,880
Trucks & Autos	26.7	29.0	2,894	2,668	1,410	1,300

Footnotes – see page 3.

These data are from the Farm Production Expenditures 2005 summary published by USDA's National Agricultural Statistics Service. South Dakota data is only published in the national and regional totals. The complete report can be accessed from [www.nass.usda.gov/](http://www.nass.usda.gov/). The Farm Production Expenditure Summary is compiled from the Agricultural Resource Management Survey completed in February and March of 2006.

Carter Anderson, Director Steve Noyes, Deputy Director
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