

FARM INCOME

FARM INCOME INDIANA, 2002-2006 ^{1/}

Commodity	2002	2003	2004	2005	2006
	Thousand Dollars				
Value of Crop Production	2,857,864	3,412,494	4,559,651	3,415,939	3,922,183
Food Grains	50,797	83,684	90,034	85,548	98,325
Feed Crops	1,509,271	1,456,689	1,845,251	1,540,618	1,907,338
Oil Crops	1,260,260	1,275,274	1,674,537	1,355,576	1,519,780
Tobacco	15,482	17,481	17,207	0	0
Fruits and Tree Nuts	23,470	27,323	30,722	31,544	33,888
Vegetables	126,858	132,123	142,981	132,055	132,314
All Other Crops	207,594	224,182	242,925	238,147	227,301
Home Consumption	4,858	3,865	3,561	2,537	2,830
Value of Inventory Adjustment ^{2/}	(340,726)	191,873	512,433	29,914	408
Value of Livestock Production	1,526,057	1,767,545	2,101,219	2,107,990	2,065,086
Meat Animals	706,476	846,233	955,240	1,010,294	995,446
Dairy Products	324,351	376,035	501,501	502,560	448,538
Poultry and Eggs	471,891	541,454	576,187	496,503	575,236
Miscellaneous Livestock	32,809	34,048	35,828	35,951	35,051
Home Consumption	2,772	3,933	3,812	5,921	5,727
Value of Inventory Adjustment ^{2/}	(12,242)	(34,158)	28,651	56,761	5,088
Revenues from Services and Forestry	743,849	797,898	822,400	884,035	911,388
Machine Hire and Custom Work	57,113	60,705	62,075	41,368	43,791
Forest Products Sold	25,000	22,000	18,000	16,000	16,000
Other Farm Income	170,616	198,655	164,343	176,971	159,869
Gross Imputed Rental Value of farm dwellings	491,120	516,538	577,982	649,696	691,728
Value of Agricultural Sector Production	5,127,770	5,977,937	7,483,270	6,407,964	6,898,657

^{1/} Value of Agricultural sector production is the gross value of the commodities and services produced within a year. Net value-added is the sector's contribution to the National economy and is the sum of the income from production earned by all factors-of-production, regardless of ownership. Net farm income is the farm operators' share of income from the sector's production activities. The concept presented is consistent with that employed by the Organization for Economic Cooperation and Development.

^{2/} A positive value of inventory change represents current-year production not sold by December 31. A negative value is an offset to production from prior years included in current-year sales.

FARM INCOME

FARM INCOME (continued) INDIANA, 2002-2006 1/

Commodity	2002	2003	2004	2005	2006
	Thousand Dollars				
Less: Purchased Inputs	2,833,897	2,989,942	3,143,921	3,273,752	3,341,836
Farm Origin	964,307	996,124	1,054,266	1,027,529	1,041,301
Feed Purchased	500,657	490,000	500,000	400,000	410,000
Livestock and Poultry Purchased	115,299	126,124	144,266	177,529	171,301
Seed Purchased	348,351	380,000	410,000	450,000	460,000
Manufactured Inputs	968,851	1,034,352	1,156,618	1,249,024	1,305,163
Fertilizers and Lime	441,857	470,000	590,000	620,000	640,000
Pesticides	313,297	330,000	320,000	310,000	310,000
Petroleum Fuel and Oils	154,633	172,485	184,502	264,025	295,169
Electricity	59,064	61,867	62,116	54,999	59,994
Other Purchased Inputs	900,739	958,466	933,037	997,199	995,372
Repair and Maintenance of Capital Gains	306,690	325,990	350,153	345,879	334,660
Machine Hire and Custom Work	66,335	60,044	68,458	69,427	69,262
Marketing, Storage and Transportation Exp.	79,000	55,553	71,833	97,587	82,685
Contract Labor	13,387	17,270	13,441	11,401	13,558
Miscellaneous Expenses	435,327	499,609	429,152	472,905	495,207
Plus: Net Government Transactions	75,368	193,104	252,418	619,237	215,677
+ Direct Government Payments	334,320	446,287	532,024	917,903	541,283
- Motor Vehicle Registration and Licensing	13,994	23,183	19,606	28,666	25,606
- Property Taxes	244,958	230,000	260,000	270,000	300,000
Gross Value Added	2,369,242	3,182,100	4,591,767	3,753,449	3,772,498
Less: Capital Consumption	742,663	753,071	794,687	850,093	893,066
Net Value Added	1,626,579	2,429,029	3,797,080	2,903,356	2,879,432
Less: Payments to stakeholders	1,161,683	1,173,265	1,258,218	1,372,027	1,334,042
Employee Compensation (Total Hired Labor)	241,392	272,730	316,559	285,738	293,837
Net Rent Received by Nonoperator Landlord	504,101	521,271	564,712	663,516	559,865
Real Estate and Nonreal Estate Interest	416,190	379,264	376,947	422,773	480,340
Net Farm Income	464,896	1,255,764	2,538,862	1,531,329	1,545,390

1/ Value of Agricultural sector production is the gross value of the commodities and services produced within a year. Net value-added is the sector's contribution to the National economy and is the sum of the income from production earned by all factors-of-production, regardless of ownership. Net farm income is the farm operators' share of income from the sector's production activities. The concept presented is consistent with that employed by the Organization for Economic Cooperation and Development.

Source: Economic Research Service

FARM INCOME

FARM INCOME INDICATORS, INDIANA, 2002-2006

Item	2002	2003	2004	2005	2006
	<u>Thousand Dollars</u>				
Gross Farm Income	5,462,091	6,424,225	8,015,294	7,325,867	7,439,940
Gross Cash Income	5,316,308	5,742,173	6,888,855	6,581,038	6,734,160
Noncash Income	498,750	524,336	585,355	658,154	700,284
Value of Inventory Adjustment	(352,968)	157,715	541,084	86,675	5,496
Total Production Expenses	4,997,195	5,168,461	5,476,432	5,794,538	5,894,550
Purchased Inputs	2,834,504	2,994,855	3,150,086	3,291,017	3,353,884
Interest	416,190	379,264	376,947	422,773	480,340
Contract and Hired Labor Expenses	254,779	290,000	330,000	297,139	307,395
Net Rent to Nonoperator Landlords	504,101	521,271	564,712	663,516	559,865
Capital Consumption	742,663	753,071	794,687	850,093	893,066
Property Taxes	244,958	230,000	260,000	270,000	300,000
NET FARM INCOME	464,896	1,255,764	2,538,862	1,531,329	1,545,390
Gross Receipts of Farms	4,985,424	5,921,710	7,453,128	6,686,643	6,752,774
Farm Production Expenditures	4,738,699	4,914,365	5,190,117	5,489,726	5,572,480
RETURNS TO OPERATORS	246,725	1,007,345	2,263,011	1,196,917	1,180,294
Gross Cash Income	5,316,308	5,742,173	6,888,855	6,581,038	6,734,160
Cash Expenses	4,185,002	4,355,454	4,597,833	4,880,093	4,949,884
NET CASH INCOME	1,131,306	1,386,719	2,291,022	1,700,945	1,784,276
Source: Economic Research Service					

U.S. GOVERNMENT PAYMENTS, BY PROGRAM INDIANA, 2002-2006 1/

Program	2002	2003	2004	2005	2006
	<u>Thousand Dollars</u>				
Production Flexibility Contracts	145,198	(9,979)	(143)	(60)	(2)
Direct Payments 2/	13,933	317,368	232,556	233,838	228,189
Counter-cyclical Program Payments	---	27,053	23,742	192,993	185,161
Loan Deficiency Payments	77,032	2,631	208,965	333,384	44,099
Marketing Loan Gains	22,820	746	5,633	17,450	7,617
Commodity Certificate Exchange Gains	141	1	2,426	8,444	61
Milk Income Loss Payments 3/	13,609	16,138	3,025	277	6,538
Tobacco Transition Payments 4/	---	---	---	20,675	10,980
Conservation 5/	50,538	50,209	54,185	67,995	58,255
Supplemental Funding 6/	11,021	42,159	1,756	39,014	456
Miscellaneous 7/	28	(39)	(90)	(44)	(71)
Total	334,320	446,286	532,055	914,166	541,283

1/ Amounts include only cash payments made directly to farmers.

2/ Direct Payments are authorized by the Farm Security and Rural Investment Act of 2002 for 2002 through 2007 crops. Direct Payments for the 2002 crops are reduced by the amount of fiscal year 2002 payment received under Production Flexibility Contracts. The Act also increases the number of crops authorized to receive Direct Payments.

3/ Program authorized by the Farm Security and Rural Investment Act of 2002.

4/ Payment includes both the CCC payments to quota holders and producers and the third party payments to quota holders and producers who opted for the lump sum payment option.

5/ Includes amount paid under Conservation Reserve, Agriculture Conservation, Emergency Conservation, and Great Plains Program.

6/ Ad Hoc and emergency programs provided by the Agricultural Risk Protection Act of 2000, Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act 2001 and Agricultural Economic Assistance Act 2001. Some of these programs include; Crop Disaster Program, Dairy Disaster Assistance Program, Livestock Emergency Assistance program, Quality Losses Program, and Tobacco Disaster Assistance Program

7/ Miscellaneous Programs include; Forestry Incentive Annual, Dairy Indemnity, Interest Payments, Disaster Program Payments, Payment Limitation Refund, Noninsured Assistance, Disaster Reserve, and Environment Quality Incentives.

Source: Economic Research Service