



Recordkeeping for Crop Insurance

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




What's so important about keeping farm records?

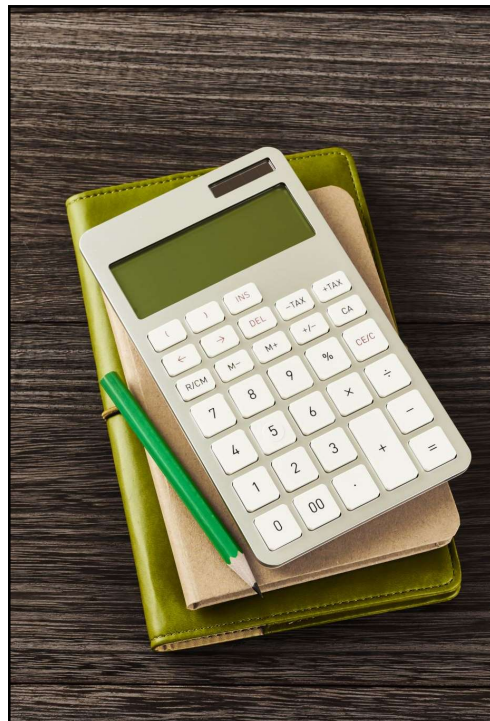
- Needed for crop insurance and tax purposes
- Most crop insurance policy or program applications need at least 5 years of records
 - There are options for beginning growers or those switching crops or commodity types
- Every policy or program may require different records
- Try to have most of your records together before beginning the application process

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Crop and Production Details

-  Farm Number
-  Crop names and varieties or types
-  Intended use of crop
 - Fresh
 - Processed
 - Direct Marketed
-  Organic or Conventional practices
-  Irrigated or Non-irrigated
-  Planting dates and locations
-  Tax and IRS Information

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Tax and IRS Information

- Schedule F - used to report taxable income earned from farming or agricultural activities
 - Very important for WFRP which insures based on tax documents not yield history
 - Income and Expenses
- IRS Accounting Method – Cash Basis Taxpayer or Accrual Basis Taxpayer
- Tax Year – Calendar, Early Fiscal, Late Fiscal
- Fiscal Year Begin Date
- Fiscal Year End Date

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INVENTORIED COMMODITIES										
6. Commodity Name	BEGINNING INVENTORY					ENDING INVENTORY				
	PART 2: FIRST DAY OF THE INSURANCE PERIOD		PART 3: VALUE END OF INSURANCE PERIOD			PART 4: LAST DAY OF INSURANCE PERIOD				
	7. Location(s)	8. Beginning Inventory (Unit of Measure)	9. Value (Dollars)	10. Cost or Basis	11. Value Received (Dollars)	12. Location(s)	13. Ending Inventory (Unit of Measure)	14. Average Value (Dollars)	15. Cost or Basis (Unit of Measure)	16. Net Value (Ending Inventory x Average Value) - Cost or Basis (if applicable)
					\$ 0					\$ 0
					\$ 0					\$ 0
					\$ 0					\$ 0
					\$ 0					\$ 0
					\$ 0					\$ 0
					\$ 0					\$ 0
					\$ 0					\$ 0
					\$ 0					\$ 0
					\$ 0					\$ 0
					\$ 0					\$ 0
					\$ 0					\$ 0
					\$ 0					\$ 0
					\$ 0					\$ 0
					\$ 0					\$ 0
17. Total Beginning Value					\$ 0	18. Total Ending Value				\$ 0

*Example from WFRP application

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PART 2: ACCOUNTS RECEIVABLE				
5. Commodity Name	6. Name and Address of Buyer	7. Beginning Amount (Dollars)	8. Ending Amount (Dollars)	9. Balance (Ending Amount - Beginning Amount)
				\$ 0.00
				\$ 0.00
				\$ 0.00
				\$ 0.00
				\$ 0.00
				\$ 0.00
				\$ 0.00
10. Total Accounts Receivable Adjustments (+) or (-) to Claim (Dollars)				\$ 0.00
PART 3: ACCOUNTS PAYABLE				
11. Commodity Name	12. Name and Address of Creditor	13. Beginning Amount (Dollars)	14. Ending Amount (Dollars)	15. Balance (Ending Amount - Beginning Amount)
				\$ 0.00
				\$ 0.00
				\$ 0.00
				\$ 0.00
				\$ 0.00
				\$ 0.00
				\$ 0.00
16. Total Accounts Payable Adjustments (+) or (-) to Claim (Dollars)				\$ 0.00

*Example from WFRP application

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ALLOWABLE REVENUE WORKSHEET					
5. Adjustment Codes	A	Schedule F income specifically excluded	G	Net gain from commodity hedges	
	B	Cost of post-production operations	H	Not directly related to production	
	C	Co-op distributions not directly related	I	Other - explain the adjustment made	
Schedule F Part I (for cash basis taxpayers) or Part III (for accrual taxpayers) Revenue					
4. Tax Year					
7. Schedule F Line Number	6. Schedule F Part I (cash) or III (accrual) Revenue	8. Amount on Schedule F	9. Revenue Adjustment Amount	9. Code	10. Allowable Revenue per Item
1c or 37	Sales of livestock and other resale items, less the cost or basis of such items				\$ 0
2 or 37	Sales of livestock, produce, grains and other products you raised				\$ 0
3b or 38b	Taxable cooperative distributions			C	\$ 0
4b or 39b	Taxable agricultural program payments			A	
5a or 40a	Commodity Credit Corporation (CCC) loans reported under election			A	
5c or 40c	Taxable CCC loans forfeited			A	
6b or 41	Taxable crop insurance proceeds and federal crop disaster payments			A	
7 or 42	Custom hire (machine work) income			A	
8 or 43	Other income, including federal and state gasoline or fuel tax credit or refund:				
	Federal and State gasoline or fuel tax cred or refund			A	
	Income from bartering				\$ 0
	Payments from buyers commodities for bypassed acreage				\$ 0
	Payments from marketing orders				\$ 0
11. Total Schedule F Part I or III Revenue		\$ 0	\$ 0		\$ 0
				12. Allowable Revenue for Tax Year	\$ 0

*Example from WFRP application

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Farm Operation Report: Intended

- Yield
- Expected Value
- Expected Revenue
- Intended Quantity
- Cost Basis and/or Value
- Share (amount held by applicant)
- % Production
- All used to calculate Total Expected Revenue

INTENDED												
10. YIELD	x	11. EXPECTED VALUE	=	12. EXPECTED REVENUE	x	13A. INTENDED QUANTITY	-	13B. COST / BASIS AND/OR VALUE	x	13C. SHARE / 13D. % PROD [^]	=	13E. TOTAL EXPECTED REVENUE
	x		=	\$ 0.00	x		-		x		=	\$ 0
	x		=	\$ 0.00	x		-		x		=	\$ 0
	x		=	\$ 0.00	x		-		x		=	\$ 0
	x		=	\$ 0.00	x		-		x		=	\$ 0
	x		=	\$ 0.00	x		-		x		=	\$ 0
	x		=	\$ 0.00	x		-		x		=	\$ 0
	x		=	\$ 0.00	x		-		x		=	\$ 0

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REVISED			
14A. ACTUAL QUANTITY	14B. ACTUAL COST / BASIS AND/OR VALUE	14C. SHARE 14D. ACTUAL %/acre	14E. TOTAL EXPECTED REVENUE
			\$ 0
			\$ 0
			\$ 0
			\$ 0
			\$ 0
			\$ 0
			\$ 0
			\$ 0
			\$ 0
			\$ 0
			\$ 0
			\$ 0
			\$ 0
			\$ 0

Farm Operation Report: Revised

- Actual Quantity
- Actual Cost Basis and/or Value
- Share
- Actual % Production
- Revised Total Expected Revenue

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Workbook

-  Crop Rotation and Input History by Field
-  Crop and Production Details
-  5 Year Estimated and Actual Individual Crop Income and Expenses
-  Direct Marketing Worksheet
-  Field, High Tunnel or Plot Locations
-  Five Year Individual Field Activity Log

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Crop Rotation and Input History by Field- 5 years

[C = Conventional, O = Organic, & T = Transition to organic]

			Year:			Year:			Year:			Year:		
Field, Plot, or Row Name	Acres or Row Feet	Own or Rent	Crop Code	Inputs & Cover Crops	C, O, or T	Crop Code	Inputs & Cover Crops	C, O, or T	Crop Code	Inputs & Cover Crops	C, O, or T	Crop Code	Inputs & Cover Crops	C, O, or T

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Crop and Production Details

Year: _____

[C = Conventional, O = Organic, & T = Transition to organic]

Crop Name & Variety/Type	Production Method (Field, High Tunnel, Greenhouse, etc.)	Intended Use (Fresh, Processed, Direct Marketed, etc.)	C, O, or T	Irrigated or Non-irrigated	Planting Dates	Location (Field, Row, or High Tunnel Number)

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5 Year Estimated and Actual Individual Crop Income and Expenses										
Crop:	Estimated year:	Actual Year:	Estimated year:	Actual Year:	Estimated year:	Actual Year:	Estimated year:	Actual Year:	Estimated year:	Actual Year:
Income										
Yield/Acre										
Price										
Total Income per Acre										
Expense [totals]										
Labor										
Seed										
Soil Amendments										
Fertilizer/Lime										
Cover Crop										
Weed Control										
Building Rent/Repairs										
Fuel/Oil										
Insurance Costs										
Utilities										
Marketing										
Storage										
Processing Fees										
Professional Services										
Real Estate Tax										
Lease										
Interest										
Other [total]										
Total Expense										

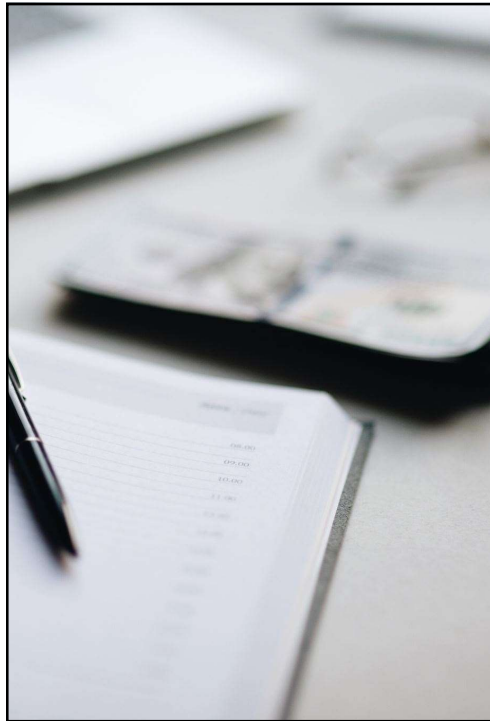
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Direct Marketing Worksheet						
If selling from an on-farm market, list amount sold.						
Commodity Name	Market Name or Location	Amount Taken to Market	Amount Returned Home	Amount Sold	Price	Revenue
Total:						

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Field, High Tunnel or Plot Locations					
If more than one field or plot is in same section, range, or county, list them together.					
Field or Plot Number(s)	Section Number, County, and Range	FSA Farm Number and Tract Number	FSA Field Number or Other Identifying Method	Address or Closest Road	High Tunnel Number or Identification

Five Year Individual Field Activity Log- Field or Crop Name _____					
Acres or Row Feet _____					
Crop Year	Year:	Year:	Year:	Year:	Year:
Cover crop type		Seed variety(s)			
Cover crop spring-planting date		Seeding rate			
Cover crop termination date and method		Crop monitoring-problem weeds, pests, crop vigor-dates			
Basic tillage [method and date]		Pest management inputs			
Soil amendments		Pest management input-dates and rates of application			
Soil amendment application date and rate		Disease management inputs			
Manure source		Disease management input-dates and rates of application			
Date and rate of manure application		Weed management-post planting- methods and dates			
Crop planted		Harvest date			
Planting date		Estimated yields (bu, pds, tons)			
		Storage location			



Thoughts and Tips

- You can never be too thorough
- Not just for tax or insurance purposes
- May save you production headaches and even money
 - You may find places you are losing money
- Not every workbook or template will work for you
- My tip is to record everything
 - If you want to, a day-to-day record could be helpful especially your first few years of production

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Webinar Schedule

- Q&A with an Insurance Agent(s) – February 8, 2022
 - FSA Resources – March 8, 2022
- NAP, TAP, and RI – March 29, 2022 (pre-recorded)
 - Grower Panel – April 12, 2022
 - And more to come!



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Thank you to the Southern Risk Management
Education Center and USDA National Institute of
Food and Agriculture

This material is based upon work supported by USDA/NIFA under Award Number 2018-70027-28585.



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