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This is an advance proof copy of an IRS tax form. It is subject to change and OMB approval before it is officially released. You can check the scheduled release date on our web site (www.irs.gov).

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.

Farm Rental Income and Expenses
(Crop and Livestock Shares (Not Cash) Received by Landowner (or Sub-Lessor))
(Income not subject to self-employment tax)

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 1040. ▶ See instructions on back.

Attachment
Sequence No. **37**

Name(s) shown on Form 1040

Your social security number

Employer ID number (EIN), if any

A Did you actively participate in the operation of this farm during 2004 (see instructions)? Yes No

Part I Gross Farm Rental Income—Based on Production. Include amounts converted to cash or the equivalent.

1 Income from production of livestock, produce, grains, and other crops		1	
2a Cooperative distributions (Form(s) 1099-PATR)	2a	2b Taxable amount	
3a Agricultural program payments (see instructions)	3a	3b Taxable amount	
4 Commodity Credit Corporation (CCC) loans (see instructions):			
a CCC loans reported under election		4a	
b CCC loans forfeited	4b	4c Taxable amount	
5 Crop insurance proceeds and certain disaster payments (see instructions):			
a Amount received in 2004	5a	5b Taxable amount	
c If election to defer to 2005 is attached, check here <input type="checkbox"/> 5d Amount deferred from 2003		5d	
6 Other income, including Federal and state gasoline or fuel tax credit or refund (see instructions)		6	
7 Gross farm rental income. Add amounts in the right column for lines 1 through 6. Enter the total here and on Schedule E (Form 1040), line 42. ▶		7	

Part II Expenses—Farm Rental Property. Do not include personal or living expenses.

8 Car and truck expenses (see Schedule F instructions). Also attach Form 4562	8	21 Pension and profit-sharing plans	21
9 Chemicals	9	22 Rent or lease:	
10 Conservation expenses (see instructions)	10	a Vehicles, machinery, and equipment (see instructions)	22a
11 Custom hire (machine work)	11	b Other (land, animals, etc.)	22b
12 Depreciation and section 179 expense deduction not claimed elsewhere	12	23 Repairs and maintenance	23
13 Employee benefit programs other than on line 21 (see Schedule F instructions)	13	24 Seeds and plants purchased	24
14 Feed purchased	14	25 Storage and warehousing	25
15 Fertilizers and lime	15	26 Supplies purchased	26
16 Freight and trucking	16	27 Taxes	27
17 Gasoline, fuel, and oil	17	28 Utilities	28
18 Insurance (other than health)	18	29 Veterinary, breeding, and medicine	29
19 Interest:		30 Other expenses (specify):	
a Mortgage (paid to banks, etc.)	19a	a	30a
b Other	19b	b	30b
20 Labor hired (less employment credits) (see Schedule F instructions)	20	c	30c
		d	30d
		e	30e
		f	30f
		g	30g

31 Total expenses. Add lines 8 through 30g ▶	31	
32 Net farm rental income or (loss). Subtract line 31 from line 7. If the result is income, enter it here and on Schedule E, line 40. If the result is a loss, you must go on to line 33	32	
33 If line 32 is a loss, you must check the box that describes your investment in this activity (see instructions)	33a	<input type="checkbox"/> All investment is at risk.
	33b	<input type="checkbox"/> Some investment is not at risk.
You may need to complete Form 8582 to determine your deductible loss, regardless of which box you check (see instructions). However, if you checked box 33b, you must complete Form 6198 before going to Form 8582. In either case, enter the deductible loss here and on Schedule E, line 40	33c	