

United States Department of Agriculture National Agricultural Statistics Service



Farm Production Expenditures

Southern Plains Regional Field Office · Post Office Box 70, Austin, Texas 78767 · 800-626-3142 · <u>www.nass.usda.gov</u>
Cooperating with the Oklahoma Department of Agriculture, Food and Forestry and Texas Department of Agriculture

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Texas farm production expenditures totaled \$30.6 billion in 2023, up 2.11 billion dollars from 2022. Livestock and poultry purchase expenses, which made up the highest portion, increased 48.3 percent from the year earlier to 8.60 billion dollars. Feed expense was the second highest expense category at 5.25 billion dollars, down 1.00 billion dollars from 2022. Farm services made up 10.4 percent of the total, and labor expenses were 5.4 percent. The average total production expenditures for a Texas farm was \$132,568, up 14.4 percent from 2022.

Total production expenses for the **Plains Region** (ND, SD, NE, KS, OK, and TX) totaled \$114 billion in 2023, up 3.73 billion dollars from 2022. Livestock and poultry purchase expenses made up the largest portion of the total at 27.5 billion dollars, up 25.1 percent from the year earlier. Feed expense decreased 5,200 million dollars in 2023 to 14.8 billion dollars. The average total production expenditure per farm in the Plains Region was \$249,065, up 8.8 percent from 2022.

Farm Production Expenditures by Farms Reporting, Average per Farm, & Total – Texas: 2022 and 2023

Expenditure	Farms reporting		Average per farm		Total expenditures	
	2022	2023	2022	2023	2022	2023
	percent	percent	dollars	dollars	million dollars	million dollars
Livestock, poultry, & related expenses	23.9	17.8	23,577	37,246	5,800	8,600
Feed	78.9	77.9	25,407	22,737	6,250	5,250
Farm services	93.1	95.3	11,951	13,729	2,940	3,170
Rent	17.9	20.6	4,390	4,807	1,080	1,110
Agricultural chemicals	32.2	29.1	2,236	2,469	550	570
Fertilizer, lime, & soil conditioners	30.3	32.3	5,081	5,933	1,250	1,370
Interest	15.5	15.8	2,236	2,512	550	580
Taxes	100.0	100.0	5,285	5,110	1,300	1,180
Labor	20.7	25.5	5,935	7,103	1,460	1,640
Fuel	84.9	85.6	4,756	4,504	1,170	1,040
Farm supplies & repairs	80.5	79.2	5,285	4,981	1,300	1,150
Farm improvements & construction	42.5	42.1	5,041	7,016	1,240	1,620
Tractors & self-propelled machinery	14.5	15.0	6,911	5,890	1,700	1,360
Other farm machinery	9.5	7.0	1,545	1,581	380	365
Seeds & plants	18.5	17.9	3,252	3,335	800	770
Trucks & autos	8.5	10.3	2,236	2,209	550	510
Miscellaneous capital expenses	8.1	10.3	732	1,408	180	325
Total farm production expenditures	100.0	100.0	115,854	132,568	28,500	30,610

Source: USDA National Agricultural Statistics Service - Farm Production Expenditures 2023 Summary, July 2024

Farm Production Expenditures by Farms Reporting, Average per Farm, & Total – Plains Region: 2022 and 2023

Expenditure	Farms reporting		Average per farm		Total expenditures	
	2022	2023	2022	2023	2022	2023
	percent	percent	dollars	dollars	million dollars	million dollars
Livestock, poultry, & related expenses	23.6	22.5	45,786	60,268	22,000	27,520
Feed	66.0	67.1	41,623	32,412	20,000	14,800
Farm services	89.6	92.8	21,228	23,433	10,200	10,700
Rent	29.2	30.3	16,649	18,615	8,000	8,500
Agricultural chemicals	39.5	39.0	9,573	10,512	4,600	4,800
Fertilizer, lime, & soil conditioners	37.5	40.8	16,857	19,053	8,100	8,700
Interest	25.0	29.5	4,162	5,256	2,000	2,400
Taxes	100.0	99.9	8,803	9,417	4,230	4,300
Labor	22.4	24.4	8,533	9,198	4,100	4,200
Fuel	82.4	80.0	8,325	8,103	4,000	3,700
Farm supplies & repairs	78.2	75.7	9,677	10,950	4,650	5,000
Farm improvements & construction	43.7	46.0	9,157	9,855	4,400	4,500
Tractors & self-propelled machinery	13.0	15.3	9,990	11,169	4,800	5,100
Other farm machinery	11.4	9.8	3,850	3,767	1,850	1,720
Seeds & plants	29.1	30.7	10,843	12,373	5,210	5,650
Trucks & autos	11.1	12.0	3,039	3,329	1,460	1,520
Miscellaneous capital expenses	7.7	10.0	832	1,358	400	620
Total farm production expenditures	100.0	100.0	228,928	249,065	110,000	113,730

Source: USDA National Agricultural Statistics Service - Farm Production Expenditures 2023 Summary, July 2024

Terms and Definitions

Agricultural chemicals: This expense line item includes material and application costs.

Taxes: The average per farm is computed by dividing the line-item total expense by the total number of farms at that level (United States, region, type, economic class, or state).

Expense line items: All expense line items include the operator, landlord, and contractor shares of farm production expenses.

Farm improvements and construction: 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.

Farm services: This is a summation of all crop custom work, veterinary custom services, transportation costs, marketing charges, insurance, leasing of machinery and equipment, utilities, general expenses, and miscellaneous business expenses.

Farm supplies and repairs: This expense includes bedding/litter, marketing containers, power farm-shop equipment, oils and lubricants, temporary fencing, miscellaneous non-capital equipment and supplies, repairs and maintenance of equipment not depreciated, and other small, non-capital equipment.

Livestock, **poultry**, **and related expenses**: This line item includes purchases and leasing of livestock and poultry. Intra-state and inter-state transfers of livestock are captured.

Miscellaneous capital expenses: Expenditures for depreciable capital purchases that are excluded from into the defined expense categories of farm improvements and construction, trucks and autos, tractors and self-propelled equipment, and other farm machinery.

Rent: Rent includes cash rent paid, share rent, plus public and private grazing fees.

Taxes: All purchases of seed, plants, or seed treatments for nursery and farming operation are included. Bedding plants, nursery stock, and seed purchased for resale are excluded.

Taxes: This expense is the sum of real estate taxes and personal property taxes for operator, landlord, and contractor.

Agriculture Resource Management Survey - Results

This report contains the results from the 2023 Agricultural Resource Management Survey (ARMS Phase 3) conducted January through April of 2024. Estimates for the Southern Plains region were made possible by data provided by respondents in Oklahoma and Texas. Our thanks to all who responded to ARMS Phase 3.

ARMS Phase 3 covers a population of all farms in the 48 contiguous states (excluding Alaska and Hawaii) that meet the official USDA definition (all establishments that sold or would normally have sold at least \$1,000 of agricultural products during the previous year). These operations include not only traditional agricultural farms such as grain farms and ranching operations, but also specialty farms like orchards, nurseries, and aquaculture.

To ensure consistent and proper execution of survey procedures in farm determination, data collection, and editing of detailed expense, income data, and demographic data, specialized training occurred on the national and state levels prior to the ARMS data collection period. Data are collected using electronic data reporting (EDR), mail return, and personal enumeration. The 2023 sample for the U.S. was more than 30,000 producers.

NASS provides accurate, timely, useful and objective statistics in service to U.S. agriculture. In order to view the full national report, please visit the following website: www.nass.usda.gov/Publications/.