the East and the West. Special rules were employed for handling certain of the subtypes under the "abnormal" group, as well as for handling other unusual cases.

One of the principal differences between the 1940 and 1930 methods of classification results from the use of a "general" type in the 1930 tabulation. Where the value of products from any one source did not represent as much as 40 percent of the total value of all farm products, the farm was classified as "general." If the value of products from each of two sources represented 40 percent or more of the total value, the farm was classified as "general" unless it was one of the specialized combination types such as cotton-tobacco, fruit-truck, dairy-poultry, etc. In the latter case it was classified according to the predominating type in that locality. In the 1940 census tabulation all of these "general" farms are classified in some one of the ten major source groups.

In the 1930 Agricultural Census, greenhouses, nurseries, and apiaries were included with the "unclassified" farms. This excluded the value of products for such farms from the 1930 census type of farm tabulation. In the 1940 census, greenhouses and nurseries are included under the "Horticultural specialties" group, while the value of apiary products sold or traded was reported under "other livestock products."

A somewhat similar plan of tabulation was used in the 1900 Census of Agriculture when the farms were classified according to principal source of income. The United States figures on gross farm income for 1899 for farms classified by principal source of income are shown in table 35.

TABLE 35.—FARMS REPORTING AND VALUE OF FARM PRODUCTS NOT FED TO LIVESTOCK ON FARMS WHERE PRODUCED, CLASSIFIED BY TWELVE PRINCIPAL SOURCES OF INCOME, FOR THE UNITED STATES, 1899

CLASSIFICATION	FARMS REPORTING		VALUE OF FARM PRODUCTS (DOLLARS)	
	Number	Percent of total	Total	Average per farm
PRINCIPAL SOURCE GROUPS				
All groups	5,737,372	100.0	3,742,129,357	652
Farms with principal source of income from—				
Livestock	1,564,515	27.3	1,232,398,228	788
Dairy produce	357,544	6.2	281,276,239	787
Hay and grain	1,319,854	23.0	1,003,196,537	760
Cotton	1,071,545	18.7	461,113,058	430
Tobacco	106,250	1.9	65,335,800	615
Sugar	7,174	0.1	19,787,923	2,758
Rice	5,217	0.1	5,995,485	1,149
Vegetables	155,788	2.7	103,629,507	665
Fruits	82,060	1.4	75,095,900	915
Flowers and plants	6,159	0.1	18,422,522	2,991
Nursery products	2,029	(1)	10,086,136	4,971
Miscellaneous	1,059,237	18.5	465,794,022	440

[1] Less than one-tenth of 1 percent.

The following explanation of the classification procedure followed is taken from the text of the 1900 Agriculture Census Report:

"The basis for this classification is the value of the specified crops or products of 1899. If the value of the hay and grain raised on any farm exceeded that of any other crop and constituted at least 40 percent of the value of the products not fed to livestock, the farm was designated a 'hay and grain' farm. If vegetables were the leading crop, constituting 40 percent of the value of all products, the farm was designated a 'vegetable' farm. . . . . 'Miscellaneous' farms were those whose operators did not derive their principal income from any one class of farm products. Those with no income in 1899 were classified according to the agricultural operations upon other farms in the same locality."

TABLE 36.—FARMS REPORTING AND VALUE OF FARM PRODUCTS, CLASSIFIED BY VALUE OF FARM PRODUCTS NOT FED TO LIVESTOCK ON FARMS WHERE PRODUCED, FOR THE UNITED STATES, 1899

VALUE-GROUP	FARMS REPORTING		VALUE OF FARM PRODUCTS[1]	
	Number	Percent of total	Dollars	Percent of total
All groups	5,737,372	100.0	3,742,129,357	100.0
$0	55,353	0.9	———	———
$1 to $49	167,493	2.9	4,885,282	0.1
$50 to $99	305,446	5.3	22,187,786	0.6
$100 to $249	1,247,195	21.7	219,709,104	5.9
$250 to $499	1,602,375	27.9	583,812,983	15.6
$500 to $999	1,378,539	24.0	964,745,527	25.8
$1,000 to $2,499	829,142	14.5	1,202,824,998	32.1
$2,500 and over	153,829	2.7	743,963,677	19.9

[1] Value of farm products not fed to livestock on farms where produced.

In the 1900 Census of Agriculture, the farms were also classified according to the amount of gross farm income in 1899, gross farm income here being defined as the value of farm products not fed to livestock on farms where produced. The United States figures on farms reporting and value of farm products for this tabulation are shown in table 36.

It should be observed that the 1900 Census definition of gross farm income is not strictly comparable with that employed in the 1940 and 1930 enumerations. Such an income figure includes, theoretically at least, the value of crops used for seed or wasted on the farm, the value for which is excluded under the 1940 and 1930 definitions. Furthermore, the 1900 Census figure on value of livestock sold represents only the value of sales of animals raised on the farm. In other words, the value of sales for purchased animals is excluded.

The 1900 Census figures on value of farm products by States and geographic divisions, together with a detailed explanation of the classification procedure followed and a reproduction of the schedule used will be found in the report of the Twelfth Decennial Census, 1900, vol. V, Agriculture, part I.

INTERPRETATION OF THE STATISTICS

Definition.—In general the statistics on total value of farm products sold, traded, or used by farm households represent an approximate measure of *gross farm income*. If the value of farm products used by farm households is excluded from the totals, the resulting figures on value of farm products sold or traded represent an approximation of *cash farm income*. The user of these value statistics should keep in mind, however, that there are, theoretically at least, three basic types of figures on income from agricultural production in the United States:

(1) United States farm income figures calculated on the basis of all farms in the United States as a unit. Interfarm sales, both within States and between States, would be excluded.
(2) United States farm income figures calculated from farm income figures for individual States. Interfarm sales within States would be excluded, but interfarm sales between States would be included.
(3) United States farm income figures representing an aggregate of the income for individual farms. Interfarm sales, both within States and between States, would be included.

The statistics on value of farm products sold, traded, or used by farm households, presented in this chapter, clearly belong under the third classification. The duplication of income caused by the inclusion of interfarm sales is an important item, particularly in livestock feeding areas.

Unclassified Farms.—As has been pointed out previously, the tabulations of value of farm products sold, traded, or used by farm households, for both 1940 and 1930, exclude the value of products for the "unclassified" farms. The extent of this incompleteness is shown, both in number of farms and in percent of all farms, in table 41.

Net Income.—The figures on specified farm expenditures, shown in chapter VI *should not be deducted* from the figures on value of products sold, traded, or used by farm households in an attempt to arrive at statistics on "net" income. As was pointed out in connection with the statistics on value of fruits and nuts sold or traded, census figures are not available for many important farm expenditure items. The cost of livestock purchased is also an important item in calculating "net" income.

Nonagricultural Income.— Income from nonagricultural sources is *not included* in the figures on farm income for either the 1940 or 1930 census enumerations. Because of the growth of part-time farming in recent years, nonagricultural income is an important item when comparisons are made involving the economic position of the individual farm rather than farming as an industry.

Government Benefit Payments.—As mentioned above, there was no provision on the 1940 Farm and Ranch Schedule for reporting the amount of government benefit payments. On some schedules where sugarcane or sugar beets were reported, there was evidence that the reported value of crops sold or traded included the Government payment on sugarcane or sugar beets. In general, however, such payments appear to have been excluded from the figures on value of farm products sold, traded, or used by farm households.