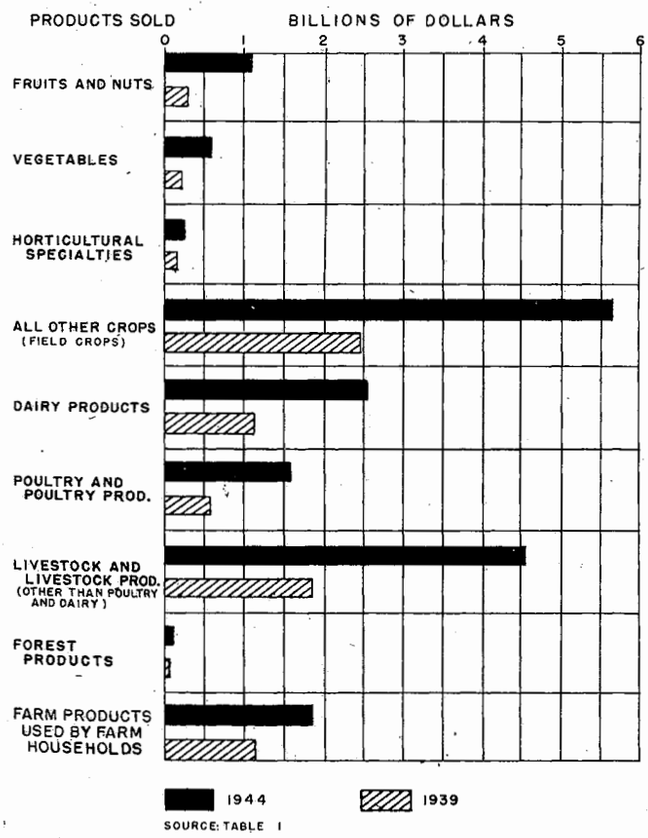
in certain areas, particularly in the livestock-feeding areas, like the Middle West, are of considerable importance. To the extent that farmers sell grain or livestock to other farmers, who in turn resell the livestock or remarket the grain in the form of livestock, there is duplication in the totals.

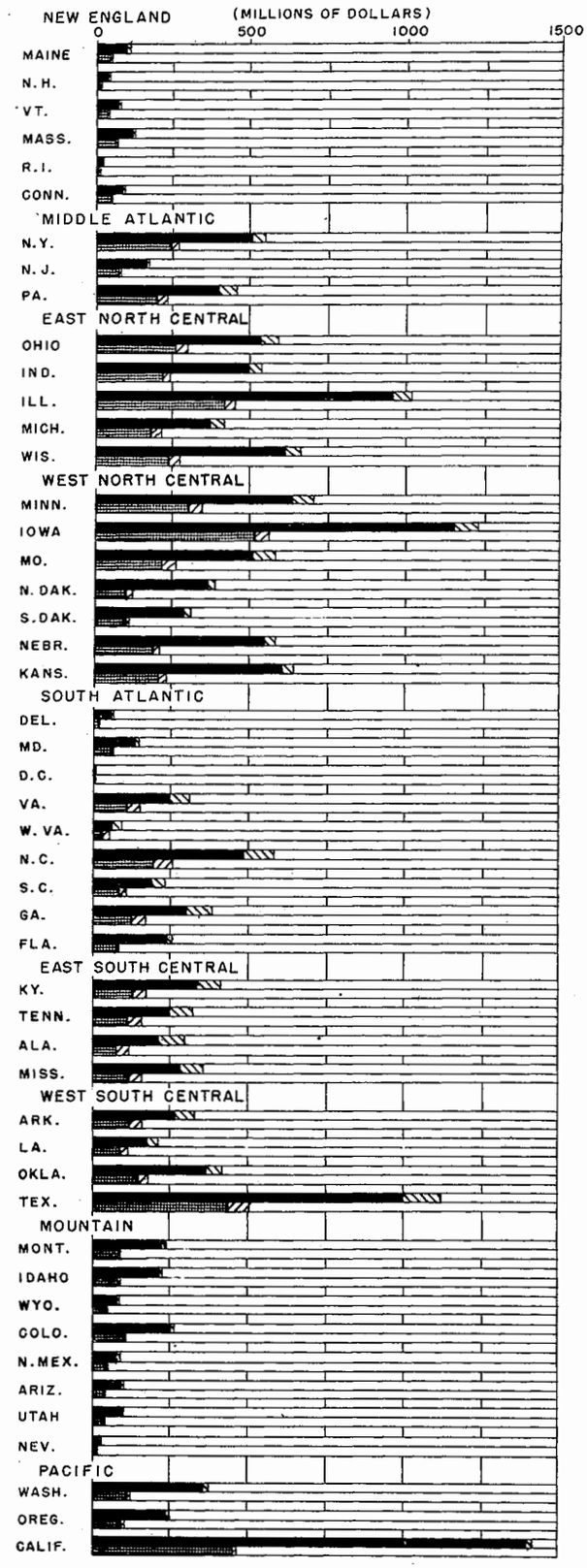
On the other hand, the total value of farm products shown for an area tends to be an understatement. First, the totals do not include the value of farm products for unclassified farms. For the United States, 7,588 farms, or 0.1 percent of the total, were unclassified in 1945. If the value of farm products for these farms were added to the total, the total would probably be increased by not more than 1.0 percent. In 1940, there were considerably more unclassified farms, numbering 39,542. In 1930, there were 288,766 farms which were unclassified as to type. This figure included nurseries, greenhouses, and apiaries. In the 1930 report, it was stated: "If the value of products on these farms were added to the total for the United States, it probably would be increased by 4 or 5 percent." Second, farmers understated the value of certain types of farm products. In the cotton-producing areas, there was an understatement of the value of cottonseed sold. It is not an uncommon practice for farmers to pay, with cottonseed, the cost of ginning, etc., with the result that in most cases they did not report the value of cottonseed exchanged in payment for ginning, or other expenses, in their estimate of the value of crops sold. In the case of tenant-operated farms, the landlord often owned or sold the cottonseed, with the result that the tenant farmer did not always report the value of cottonseed in his estimate of the value of crops sold. Third, for some products, the farmer reported the net value of the products sold or the amount he received after transportation, packing, selling, or other expenses had been deducted. Reporting the net value rather than gross probably resulted in a considerable understatement of the value of fruits, nuts, and vegetables sold. Fourth, the total value of farm products does not reflect the total gross agricultural income for the year, as it does not take into consideration net increases or decreases in inventories.

VALUE OF ALL FARM PRODUCTS SOLD OR USED BY FARM HOUSEHOLDS BY SOURCE OF INCOME, FOR THE UNITED STATES: 1944 AND 1939



SOURCE: TABLE 1

VALUE OF ALL FARM PRODUCTS SOLD OR USED BY FARM HOUSEHOLDS, BY STATES: 1944 AND 1939



SOURCE: TABLE 10