

Twenty-five of the 150 sample farms not on the mailing list filed a business or farm return (1040 C or F) in 1968 and 1969. The characteristics of these cases in relation to the IRS files are presented in table G.

Only 8 (4.2 percent of all missed farms) of the 25 farms in this group filed a Schedule "F". These are cases which ordinarily should have been included in the mailing list, but were not. Six of the eight had indications as being late returns, correspondence or audit cases which may be the reason for exclusion from the census mail lists. Five of the 25 farms with business or farm returns filed Schedule "C" with some agriculture related activity. Three of these five agricultural related activities may have been considered nonfarm according to SIC criteria.

### Conclusion

The decrease in the published census count of farms between 1964 and 1969 in Washington and Oregon appeared to have had a significant component due to undercoverage in 1969 and a smaller part due to response and processing error in addition to the actual decline in number of farms. Most of the missed farms (86 percent) in Washington and Oregon had value of products of under \$2,500. The farms are very small, marginal operations (usually livestock and hay) and most of the products are probably for home use. Off-farm wages or retirement income were often reported. Apparently, there was little farm income

or expenditures which qualified for reporting to IRS. There is no indication that a major part of the intended IRS file was excluded from the census mailing list. Use of ASCS list would improve coverage somewhat; however, it is doubtful that the use of administrative records currently available to us will have much effect in improving census coverage of small farms (TVP < \$2,500).

**Table G. Coverage-Check Missed Farms With IRS Business and/or Farm Returns in 1968 and/or 1969 State and Total Value of Products: Washington and Oregon**

	Total	Washington: Total value of products of—		Oregon: Total value of products of—	
		\$2,500		\$2,500	
		Under \$2,500	and over	Under \$2,500	and over
Filed Form 1040 "F" . . . . .	8	—	3	2	3
Filed Form 1040 "C" with some agriculture related activity . . .	5	2	1	2	—
Filed 1040 "C" nonfarm . . . . .	10	6	—	4	—
IRS form not received . . . . .	2	1	—	1	—
Total . . . . .	25	9	4	9	3