Part 4—Cash Rent

Introduction—This part of chapter 7 presents statistics on cash rent with related information on the number of farms and value of land and buildings for cash tenants and share-cash tenants for commercial farms and other farms.

Presentation of statistics—The statistics are presented as totals for the United States, for three regions, and for each of the 50 States. Most of the data presented in this part of chapter 7 represent estimates based on reports for only a sample of farms. For a description of the sample, see the introduction to this volume.

DEFINITIONS AND EXPLANATIONS

Only definitions of particular significance in regard to cash rent are given. For definitions and explanations of items of general application, refer to the introduction to this volume. For a more detailed discussion of the classification of farms by tenure of the operator, see chapter 8.

Tenants—Tenants are farm operators who rent from others, or work on shares for others, all the land they operate.

Cash tenants—Cash tenants pay rent either on a per acre basis or for the farm as a whole.

Share-cash tenants—Share-cash tenants pay cash in addition to a share of the crops and/or livestock.

Value of land and buildings—The value of land and buildings to be reported was the approximate amount for which the land and the buildings on it would sell. The value of land and buildings was asked for a sample of approximately 20 percent of the farms; however, it was not reported for all the farms included in this sample. (See chapter 1 for a discussion of the characteristics of estimates for the value of land and buildings.)

Inquiries relating to cash rent—The arrangement under which land was rented from others was determined from the following inquiries which were asked of a sample of approximately 20 percent of the farm operators who rented land from others.

The average cash rent per acre varies from State to State. These variations arise in part from the rental of farms for largely residential purposes, the inclusion of waste and other land in farms operated, and the variation in the quality and value of land and buildings operated by cash tenants, etc. Variations in the cash rent per $100 of value arise, in part, because of differences in the level of return on investments; in taxes; in farm improvements, since the rental usually takes into account depreciation or upkeep of such improvements; and to differences in the values of farmland and buildings because of location, presence of minerals, etc.

History of census data on cash rent paid—The amount of cash rent paid by cash tenants is available for five prior censuses—1959, 1954, 1950, 1940, and 1930. The data for 1964, 1959, 1954, and 1950 are limited to those cash tenants who reported the amount of rent paid or payable. The data for 1946 and 1930 relate only to the land operated. Land subrented to others was not included.

Census data on cash rent—For 1964 the data given for cash rent apply only to cash tenants and share-cash tenants for whom the amount of cash rent was reported. For the 1959 census, the data relate only to cash tenants and share-cash tenants for whom both the amount of cash rent and the value of land and buildings were reported. The 1954 data, therefore, do not represent totals for all farms operated by cash tenants and by share-cash tenants.

The proportion of cash tenants for which cash rent and value of land and buildings are given is 94 percent for 1964 as compared with 80 percent for 1959.

The land rented to others included also land owned by tenants and rented to others. Owned land represented about two-thirds of the land rented to others by both cash tenants and share-cash tenants in 1964.

The presentation of cash-rent data separately for commercial and other farms (part-time, part-retirement, and abnormal) separates, to a large degree, farms rented primarily for non-farm purposes, such as a residence, from those rented for farming purposes. "Other
farms” include many places having sufficient agricultural operations to qualify them as farms, but are occupied primarily as residences, often by persons with nonfarm employment or nonfarm sources of income. (For definitions of commercial and other farms, see chapter 6 of this volume.)

Since 1940, when there were 514,438 cash tenants, there has been a decrease in the number of cash tenants for each succeeding census. In 1964 there were 102,166, a decrease of more than 80 percent since 1940.

Land in farms operated by cash tenants increased by approximately 4 million acres from 1959 to 1964 and the average size of these farms increased from 317 acres per farm to 372 acres.

The average value of land and buildings per farm for cash tenants has increased from approximately $33,000 in 1959 to $54,000 in 1964, and the average value of land and buildings per acre increased from $109 in 1959 to $145 in 1964.

Average cash rent per cash tenant was $575 in 1950, $783 in 1954, $1,147 in 1959, and $1,586 in 1964; and the average cash rent per acre of land in farms was $2.88, $3.26, $3.82, and $4.21, for 1950, 1954, 1959, and 1964, respectively. Average value of cash rent per $100 value of land and buildings was $4.73, $4.43, $3.47, and $2.94 for 1950, 1954, 1959, and 1964, respectively.

Data on the amount of cash rent paid by share-cash tenants are available for only the 1964 and 1959 censuses. The average paid per farm operator for this tenure group is roughly half of that paid by cash tenants. However, share-cash tenants pay a share of the crops and/or livestock in addition to the cash rent.