

Suggested Closing Inventory Prices For 2023 Records

Ag Decision Maker

File C1-40

Grain (bushels)

Corn		\$4.50
Soybeans		\$12.75
Oats		\$3.70
Wheat		\$6.00
Barley (feed)		\$4.00
Sorghum	per cwt.	\$9.00
Flax seed		\$13.75

Silage (ton)

Corn silage		\$41.00
Oat silage		\$52.00
Haylage		\$78.00

Hay and Straw

Alfalfa	per ton	\$206.00
large round or square	per bale	\$112.50
small square	per bale	\$7.60
Grass legume	per ton	\$155.00
large round or square	per bale	\$85.00
small square	per bale	\$6.45
Straw	per ton	\$90.00
large round or square	per bale	\$45.00
small square	per bale	\$4.00
Cornstalks	per ton	\$85.00
large round or square	per bale	\$50.00

Suggested Prices for Home-used

Production (average price for the year)

Broilers	per pound	\$0.73
Turkeys	per pound	\$1.02
Eggs	per dozen	\$1.73
Hogs	per live cwt.	\$63.50
Cattle	per cwt.	\$102.00
Lamb	per cwt.	\$170.00
Whole milk	per cwt.	\$18.57

Livestock

Heifer calves	per cwt.	\$240.00
Steer calves	per cwt.	\$270.00
Yearling heifers	per cwt.	\$205.00
Yearling steers	per cwt.	\$230.00
Market heifers (live weight)	per cwt.	\$172.00
Market steers (live weight)	per cwt.	\$172.00
Feeder pigs (40 pounds)	per head	\$44.00
Weaned pigs (10-12 pounds)	per head	\$36.00
Market hogs (live weight)	per cwt.	\$55.00
Feeder lambs (90-110 pounds)	per cwt.	\$200.00
Market lambs (live weight)	per cwt.	\$184.00
Hens	each	\$5.00
Broilers (live weight)	per pound	\$0.85
Turkeys (live weight)	per pound	\$0.95

Livestock Held for Breeding

Beef cows	per head	\$2,000.00
Dairy cows	per head	\$1,600.00
Heifer calves: beef	per head	\$1,400.00
Heifer calves: dairy	per head	\$1,000.00
Bred heifers: beef	per head	\$2,400.00
Bred heifers: dairy	per head	\$1,600.00
Ewes	per head	\$120.00
Gilts	per head	\$210.00
Sows	per head	\$260.00

Pasture Rates

Improved pasture	per acre	\$92.00
Permanent pasture	per acre	\$62.00
Per animal unit month		\$28.00

Suggested Values for Opportunity

Costs of Unpaid Resources

Farm net worth		4%
Operator labor	per month	\$3,000.00
Unpaid family labor	per month	\$2,500.00

Suggested Closing Inventory Prices

A uniform set of closing inventory prices for farm products can be used for several purposes. A net worth statement or balance sheet should be developed on or around January 1 to measure the financial progress of the farm from year to year.

An up-to-date balance sheet is also requested by most lenders when a loan application is made. Inventory prices can be used to value the crops, livestock, and supplies that the farm has on hand at the time the statement is taken.

Inventory prices are also used for developing an accrual net income statement. Year-to-year changes in inventories need to be considered to accurately estimate the net income that a farm earns each year. Farmers who use the accrual accounting method to complete IRS Schedule F—Profit or Loss from Farming, for their income tax return, also need to accurately value their inventory of crops, livestock, and products.

The inventory list also includes suggested values to use for home used products. The value of crops, livestock, or livestock products that are consumed rather than sold should be added to the gross income of the farm when an income statement is completed. The value of farm products consumed at home does not need to be included in taxable income. However, the cost of producing these products should be deducted from the business expenses included on IRS Schedule F. Iowa State University Extension and Outreach publication FM 1421 (Ag Decision Maker file B1-15): [Deductible Livestock Costs for Adjusting 2023 Income Tax Returns](https://store.extension.iastate.edu/product/1783), store.extension.iastate.edu/product/1783, lists some suggested cost adjustments for farm products consumed at home.

Some farm operators like to deduct opportunity costs for farm labor that was not paid an actual wage and for equity capital that was invested in the farm business to calculate a return to management. This is the amount of income left over after all resources, including unpaid labor and equity capital, have been paid a return. It is useful for comparing the profitability of the business over time and with that of other farms. The suggested values represent typical rates of return earned on farm assets and by farm employees. The suggested pasture costs can be used to estimate the returns to livestock enterprises such as beef cows, dairy, or a ewe flock.

Grain, silage, hay and straw, and feeder livestock can be valued at their potential selling price on the date of the inventory rather than the suggested prices. Prices should be adjusted to reflect local market conditions and differences in quality. Selling and transportation costs should be deducted to arrive at “on-farm” values. Feed supplements and other supplies can be valued at their purchase price rather than the suggested price.

Breeding livestock prices should also be modified to reflect differences in quality. However, unit values for breeding livestock on the same farm should be held constant from year to year to avoid unrealistic swings in net income and net worth. Sires and recently acquired female animals can be valued at their purchase prices.

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