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## **Iowa Farmers' Business and Farm Transfer Plans: A Comparison between 2019 and 2006**

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We wish to express great appreciation to the farm families who gave their time and energy to complete the surveys on which we base this report. Without their support, this study would not have been possible. We wish also to express great thanks to those parties who chose to submit additional comments and suggestions. Such responses aid in our effort to understand the complex issue of farm succession and inheritance.

The authors express deep appreciation for Matt Loble at University of Exeter, England, and John Baker at ISU Iowa Concern Hotline, who pioneered the International Farm Transfers Survey and whose commitment to the topic of farm succession and inheritance has been the impetus for more farm succession studies resulting in more data and information on this critical topic. This 2019 survey and project report build on the 2006 Iowa Farm Transfer Project. All errors and omissions remain the responsibility of the authors.

## **Executive Summary**

In 2019, we conducted a survey of family farms in Iowa with the support of the Beginning Farmer Center and Iowa State University Extension and Outreach. Our goal is to compare the attitudes and motives behind farm succession, with a focus on intangible assets rather than physical assets, revealed in our 2019 survey with those revealed in the 2006 Iowa Farm Transfer Project. Our hope is that the data obtained in 2019 and 2006 in the state of Iowa will provide insights into the mechanics of farm business transfers over time.

From July to October 2019, we received a high return rate—almost 30%—from 886 farmer respondents, which shows the strong feelings farmers have about their future. Among the respondents, 739 said that they are still operating a farm in 2019; and thus, they formulate our estimation sample for the remainder of the policy brief. Our survey respondents were 95.18% male and 4.8% female. Of the respondents, 90% intend to grow crops, forage, or livestock for commercial purposes, and 86% consider the current economic position of their farm business to be from fair to excellent.

In 2019, the greatest majority of respondents, 82%, considered farming their principal occupation, which is a huge change since 2006, when only a little over half of the respondents declared the same. Most respondents consider their farms a sole proprietorship, with partnerships of husbands and wives being the second most common. In 2006, farm labor came mostly from family members employed part time; however, 2019 saw a significant increase of family members employed full time on the farm.

In 2019, there was an increase in both respondents claiming that the farmer made most farm decisions and a significant decrease in those claiming that the farmer alone, with some successor input, made most farm decisions. As the greatest majority of successors do not have total responsibility for the farm, no decisions stood out as being controlled by the successor alone; in fact, the numbers have decreased.

In 2006, the majority of respondents indicated that they will semi-retire; furthermore, respondents who will never retire outnumbered those who will. In 2019, over half of respondents indicated that they would semi-retire; and, while those who claimed they will retire has remained unchanged, the number of farmers responding they will never retire decreased significantly. In 2006, the average age farmers planned to retire or semi-retire was 67; however, 2019 saw that number increase to 70. The majority of respondents indicated that advancing age is the main reason for retirement. Furthermore, the majority of farmers declared that, upon retirement, they will continue to work the same as they are now, just less intensely. The second most common response was that they will help out at busy times only—very few respondents indicated that they will have no involvement on the farm. Among those who said they would retire in 2006, a little above half of respondents answered that they wouldn't move from their current home, while in 2019 that same number increased to 61%.

Farmers in 2019 still most commonly identify income from Social Security as the main source of income once retired; in fact, the number doing so has increased since 2006. The other top

responses were income from this farm and income from other investments. There has been a decrease in the number of people who will rely on private pension, and the sale of farmland, livestock, or other farm assets and sale of other property are still less-common sources of income. Among those that will receive income from the farm upon retirement, the majority declared that they plan on depending heavily on this form of income. A little under 80% of the respondents stated that someone in their household receives income from an off-farm source. The greatest majority of respondents do not have a formal succession plan. While the majority of farmers had discussed their succession plan with their spouse or children, a little more than 20% of farmers had not discussed their plan with anyone. Since 2006, there has been a significant increase in the number of respondents who had identified a successor; however, among those who had not, most are still confident that a family member will inherit and keep the farm, and only a very small number think it will be sold or rented out. There has been an enormous increase in respondents that declared that they have a will; however, most farmers do not have a trust.

Respondents still identify sons as the main successor. Since 2006, there has been a significant decrease in those identifying daughters as the main successor; in fact, daughters are not claimed as main successors until they are identified as the third successor. While the average age of successor has decreased, the average age of respondent's sons increased from 28 in 2006 to 32 in 2019, while the average age of respondent's daughters increased from 29 to 31 in that same time.

In 2019, most farmers responded that they would miss the way of life the most after retirement, while less common responses indicated respondents would miss crop management, contact with other farmers, and working with livestock. Farmers said that they would be pleased to give up the long hours, the manual work on the farm, and the paperwork.

When asked about future plans for the farm, most respondents indicated that they would share the farm equally among heirs, to keep it in the family no matter what: "I plan for the farm to stay in the family and be passed down to my children and grandchildren." Another responded "Whatever it takes to keep operation together: land and livestock, we are third generation." A very common response was also to give most of the shares to the farming heir, or let him/her buy from the non-farming heir. "Understand that fair is not equal. Family heirs will get land operation, plus additional land. Now farming heirs will get some land and cash. This plan makes it fair, not equal." Another stated: "Talk - talk - talk to your children. Treat them fairly but not necessarily equally." Many respondents indicated that, instead of splitting the farm, they rather the land be rented out to strangers or neighbors: "Keep the farm as a whole, split income between heirs, or sell and split between heirs."

In 2019, as little as 1% of respondents declared that their farm is certified organic.

## **Introduction**

Iowans continue to witness the loss of farmers, the consolidation of farms, and aging producers. During the past 70 years the number of Iowa farms has decreased from 206,000 to 88,000; and, as the number of farms decreased, the average size of farms steadily increased. The increase in the average age of farmers is a result of minimal incentives to encourage young farmers to enter the profession and reluctance on the part of existing farmers to retire. Transferring the farm from one generation to the next is one of the most vital stages to ensuring the longevity of the farm business and passing on a sound and secure business to the next generation. In order to keep Iowa's agricultural economy strong, there must be incentives to encourage new entrants to enter agriculture.

The complexity of farm transfers is due to three conflicting objectives—maintaining a viable farm business for subsequent generations, fair and equal treatment of family members, and the retirement provision of the current operator (Barclay et al. 2005).

## **Data Collection**

The population of interest in this study was crop and/or livestock farmers (age 18 or older) operating a farm with at least \$100,000 in gross farm income in 2018. We selected a stratified random sample of 3,000 farmers based on these criteria to represent all counties across Iowa's nine crop reporting districts. Following Dillman's Tailored Survey Design method, we sent the first invitation to complete the questionnaire online to the sample of farmers on July 15, 2019; and we sent printed questionnaires on July 30, 2019, and a second follow-up mailing on August 23, 2019 (with the option of responding online), to farmers who had not completed the questionnaire by the time of distribution. We closed the data collection on October 15, 2019. The Farm Transfers Survey received a high return rate—almost 30%—from 886 farmer respondents, which shows the strong feelings farmers have about their future. Among the respondents, 739 said that they are still operating a farm in 2019; and thus, they formulate our estimation sample for the remainder of the policy brief.

Our survey respondents were 95.18% male and 4.8% female. Of the respondents, 90% intend to grow crops, forage, or livestock for commercial purposes, and 86% consider the current economic position of their farm business to be from fair to excellent.

Our main survey recipients are established farmers in family operations that represent many Iowa businesses. Preliminary results show that respondents connect their retirement plans, or lack thereof, to the farm business.

## **Survey Respondents' Farms**

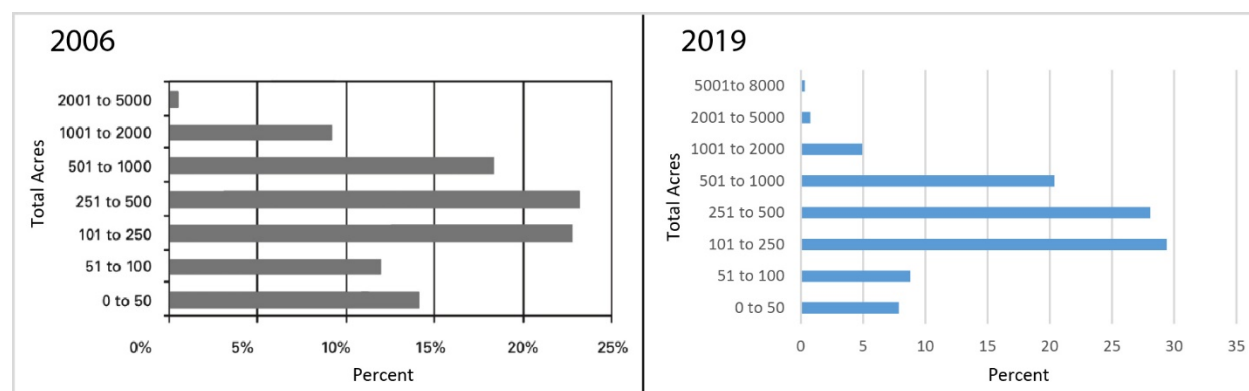
In 2019, 749 respondents claimed they planned on farming in 2019. We only consider those who answered "yes."

In 2019, the size of farm respondents are responsible for ranged between 0 and 8000 acres (see table 1), which is an increase from 2006, when the size ranged between 2 and 4,000 acres (see figure 1). However, the median size of farms, which we define as owner-operated acres and acres

rented out to others, decreased from 446 acres in 2006 to 429.0 acres in 2019. In contrast, the mean farm operation size, including acres rented from others, is 737.9 acres.

**Table 1. Total Farm Area under Respondent's Responsibility, 2019**

Variable	#	Mean Acres	Std. Dev.	Min	Max
Acres rented	538	498.2	551.7	0	7000
Acres owner-operated	676	421.6	531.4	0	8000
Acres rented out to others	243	149.5	269.6	0	1600
Total acres owned, including rented out	749	429.0	556.6	0	8000
Total acres operated, including rented	749	737.9	754.1	0	8000



**Figure 1. Respondents' total farm acres in 2006 and 2019.**

*Note:* Responses from 2006 are from 2006 Iowa Farmers Business and Transfer Plans.

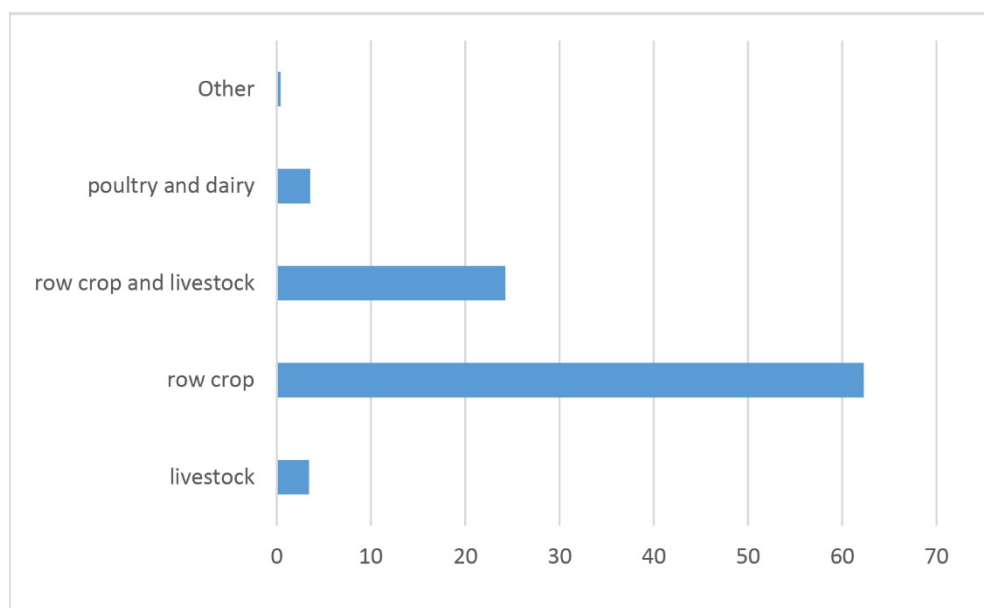
Table 2 shows that nearly half of respondents farm in the Northwest, Northeast, and East Central districts. Farmers from Sioux County account for the majority of respondents (3%), immediately followed by Plymouth County. Harrison County produced the fewest respondents.

**Table 2. Crop Reporting District of Respondents' Farm Operations, 2019**

Crop reporting district	Farms		Total owned acres		Size of operation	
	Number	Percent	Acres	Percent	Acres	Percent
Northwest	122	16.5%	45717	14.3%	87777	15.9%
North Central	84	11.4%	30099	9.4%	65429	11.9%
Northeast	112	15.2%	44080	13.8%	71310	13.0%
West Central	80	10.8%	40083	12.5%	60294	11.0%
Central	94	12.7%	38240	11.9%	76013	13.8%

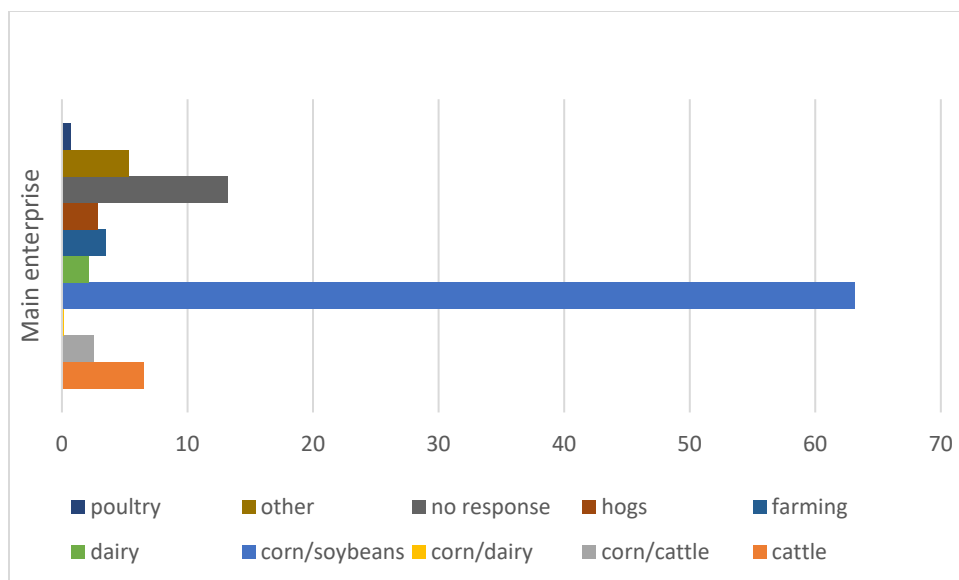
East Central	122	16.5%	50157	15.7%	82182	14.9%
Southwest	45	6.1%	22204	6.9%	42316	7.7%
South Central	37	5.0%	24733	7.7%	30228	5.5%
Southeast	42	5.7%	24969	7.8%	35059	6.4%
Total	738		320282		550608	

As shown in figure 2, in 2019, 62% of respondents farmed row crop, with row crop and livestock being the second most prominent answer. However, all categories other than grain only count for 28% of total responses, which is not a big change from 2006, when 65% of farmers grew grain.



**Figure 2. What respondents say best characterizes their farm, 2019.**

These findings also reflect the answers shown in figure 3—63% of respondents indicated that corn and/or soybeans are the most important enterprise (id. Where most of their farm income comes from) for their farm. Corn is included in 65.82% of total answers, as it is combined with other categories (corn and dairy, 0.13% of respondents, and corn and cattle, 2.54% of respondents).



**Figure 3. Respondent's most important enterprise, 2019.**

In 2019, 1.08% of respondents declared that their farm is certified organic.

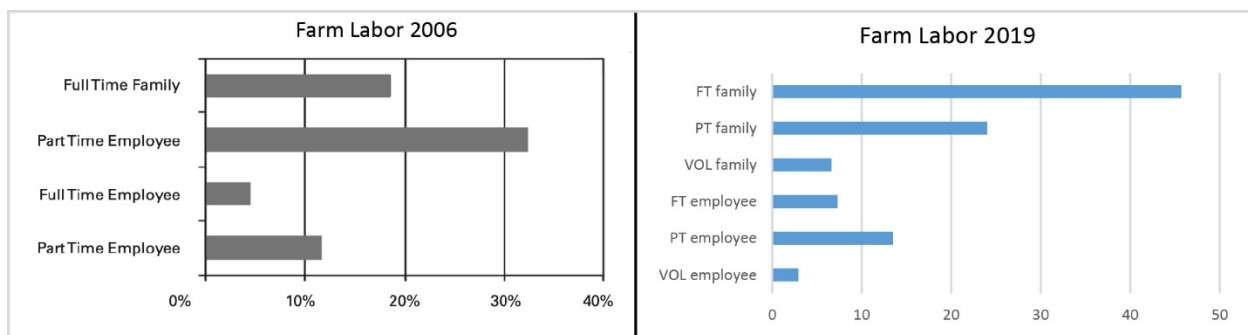
Farming is the principal occupation for 82% of respondents, which is a huge change since 2006, when only 54% of respondents declared the same. However, as shown in figure 4, in 2006, 60% of farmers declared they were employed full time on the farm, which suggests that some respondents also maintained an off-farm job.



**Figure 4. Whether farming is the respondent’s principal occupation (left) and whether respondents employ full or part time employees on the farm (right), 2006.**

In 2019, most respondents declared that the condition of their farm was “Good” or “Fair,” with only 13% indicating the condition of their farm was “Poor” or “Bad.”

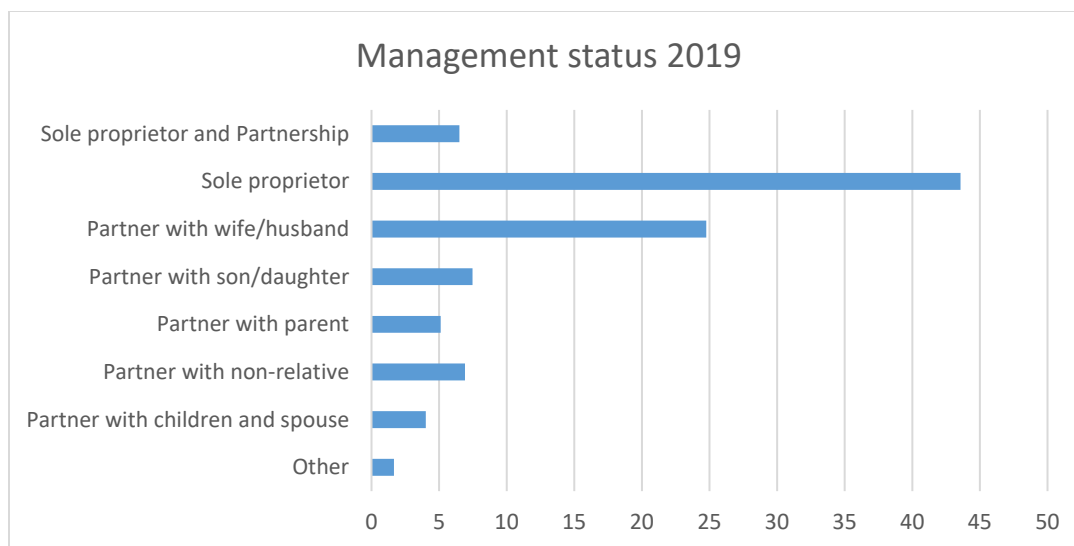
Respondents in 2019 indicated a significant increase in family members employed full time on the farm. In 2006, farm labor came mostly from part time family members, as depicted figure 5. There has also been a slight increase in part time employees hired, from 10% in 2006 to 14% in 2019. In 2006, the number of people hired varied from 0 to 6 full-time employees and up to 16 part-time employees, and the highest number of family members employed on the farm full time was 5. In 2019, the number of people hired varied from 0 to 23 full-time employees and up to 12 part-time employees, and the highest number of family members employed on the farm full time was 7. In 2019, 5.5% of family members and 3% of outsiders work on farms voluntarily.



**Figure 5. Full and part-time employees working on respondents’ farms.**

*Note:* FT=Full Time Worker, PT=Part Time Worker, VOL=Volunteer Worker.

Most farms are largely a sole proprietorship, with a partnership with wife or husband the second most common. It is important to note, however, that number of farms that are in a partnership are almost half that of sole proprietorships (see figure 6).

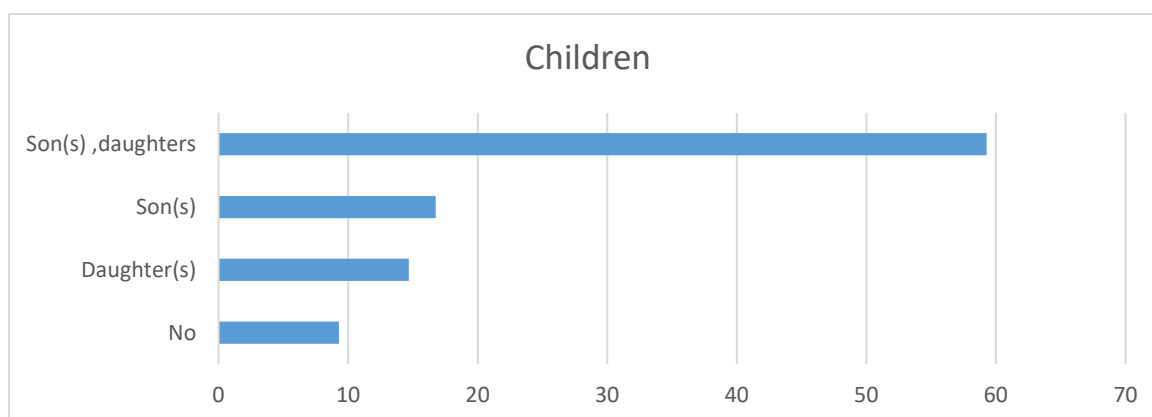


**Figure 6. Farm management status of respondents, 2019.**

#### **Farmers' Retirement Plans**

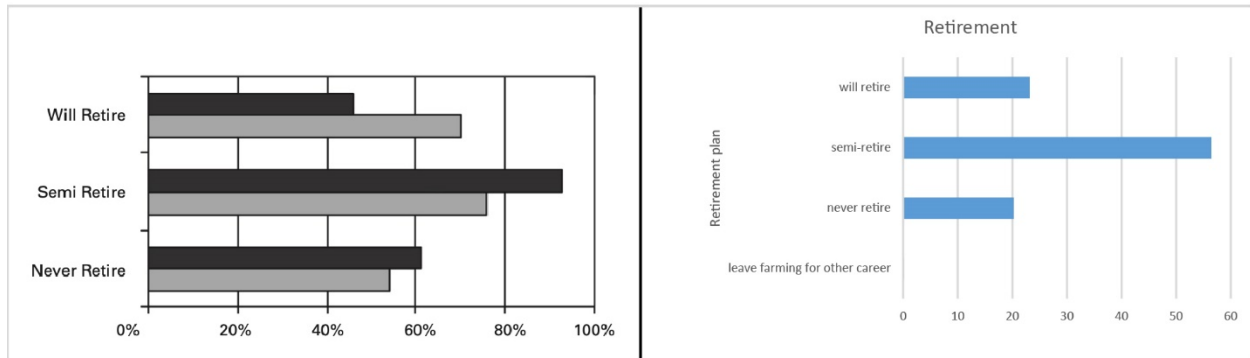
In 2019, of all 749 respondents, 27 did not answer the question about retirement plans. Of the remaining 722, 67 indicated that they had no children, 106 had at least one daughter and 121 had at least one son. In 2006, of all respondents, 101 didn't answer the retirement plan question or didn't have any children. Of the remaining, 734 had at least one son and 689 had at least one daughter (see figure 7).

In 2019, the average age of respondents' sons and daughters was 32 and 31, respectively, which is an increase from 2006 when the average age of respondents' sons and daughters was 28 and 29, respectively. In 2019, the minimum age for sons was 1 and the maximum was 60. In 2006, the minimum age of sons was 1 and the maximum was 66. In 2019, the minimum age of daughters was 1 and the maximum was 64, while in 2006 the minimum age was 1 and the maximum was 63.



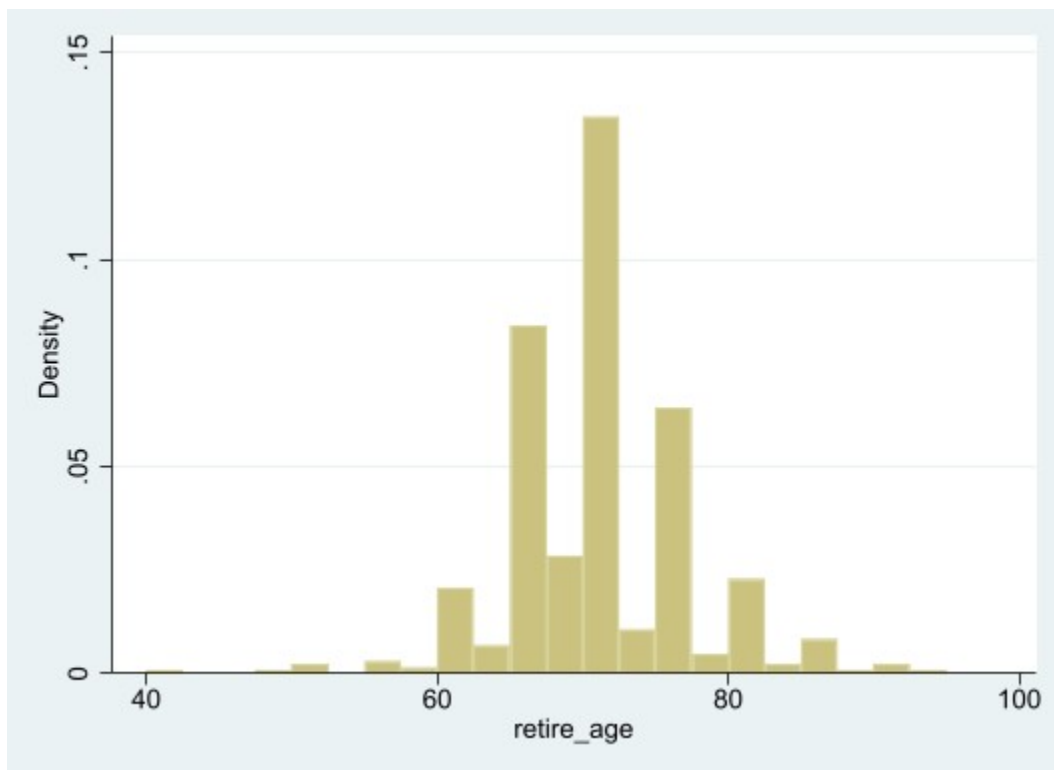
**Figure 7. Whether the respondent had children (percent), 2019.**

In 2006, the majority of respondents indicated that they will semi-retire, 23% of farmers said that they will retire, and those stating they will never retire outnumbered those stating they will (see figure 8). In 2019, 56.45% of respondents indicated that they would semi-retire, 23% said they will retire, and 20.25% said that they will never retire. Compared to 2006, the percentage of respondents in 2019 claiming they will retire has remained unchanged, but the number of farmers that will never retire decreased significantly.



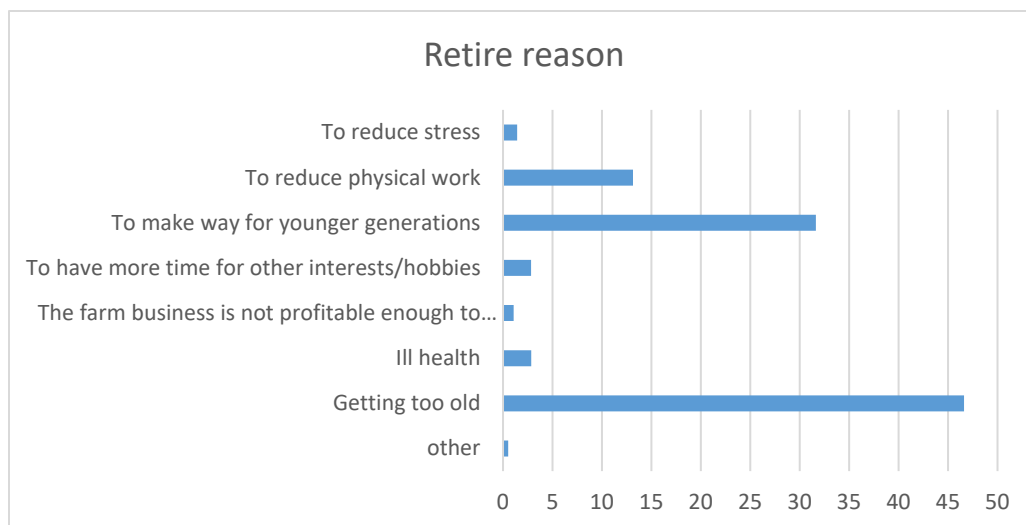
**Figure 8. Respondents' retirement plans in 2006 (left) and 2019 (right).**

In 2006, the average age farmers planned to retire or semi-retire was 67; however, as figure 9 shows, in 2019 the average age increased to 70.



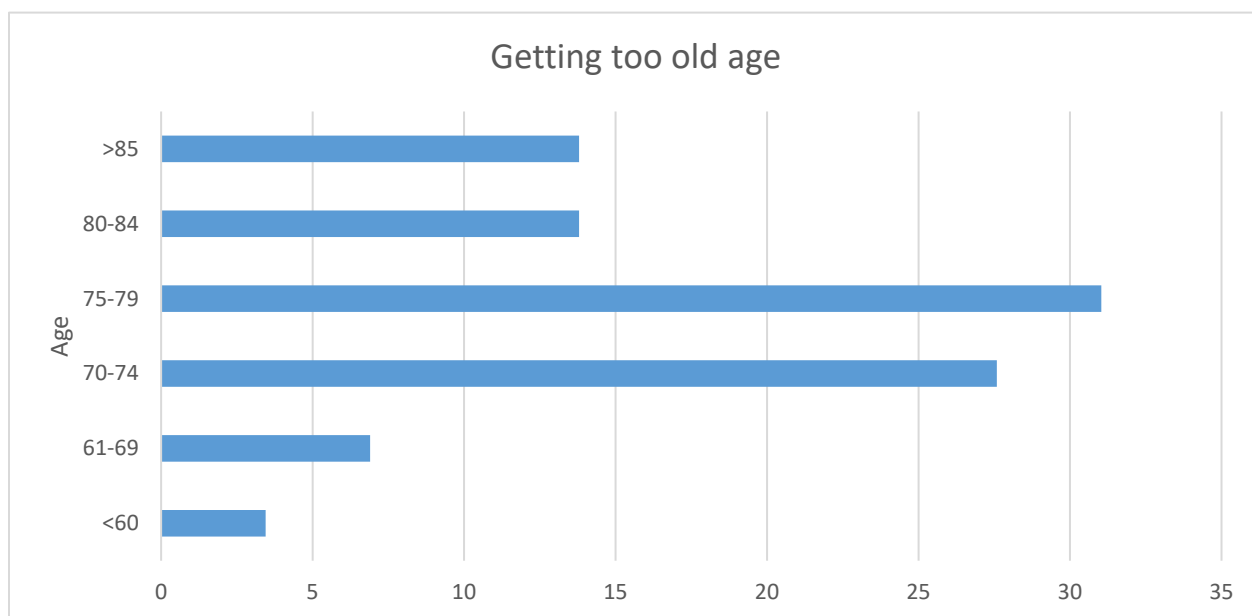
**Figure 9. Respondent's anticipated age of retirement, 2019.**

The majority of respondents indicated the main reason they would retire is because they are “getting too old.” The second most common response is to make way for younger generations, as figure 10 shows.



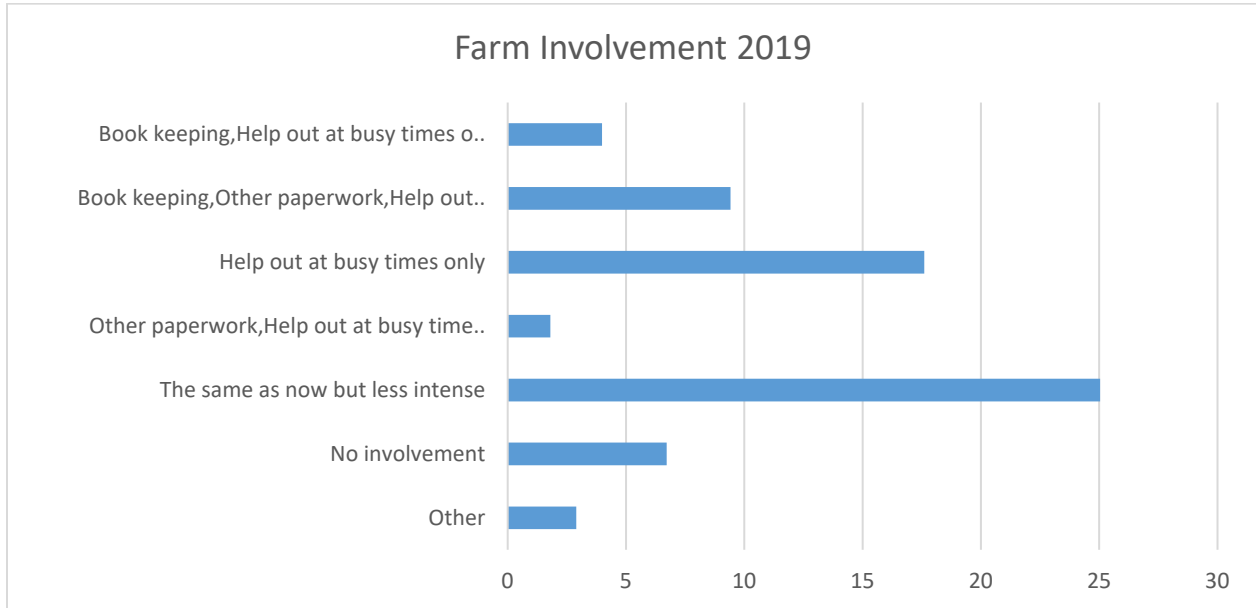
**Figure 10. Respondents' main reason for retirement, 2019.**

Among those who indicated “Getting too old” as a reason to retire, most indicated they will retire between 75 and 79 years old. The second-most common answer was ages 70 to 74. It is important to note that respondents indicating they are “getting too old” over age 85 outnumbered those who say the same under the age of 69 (see figure 11).



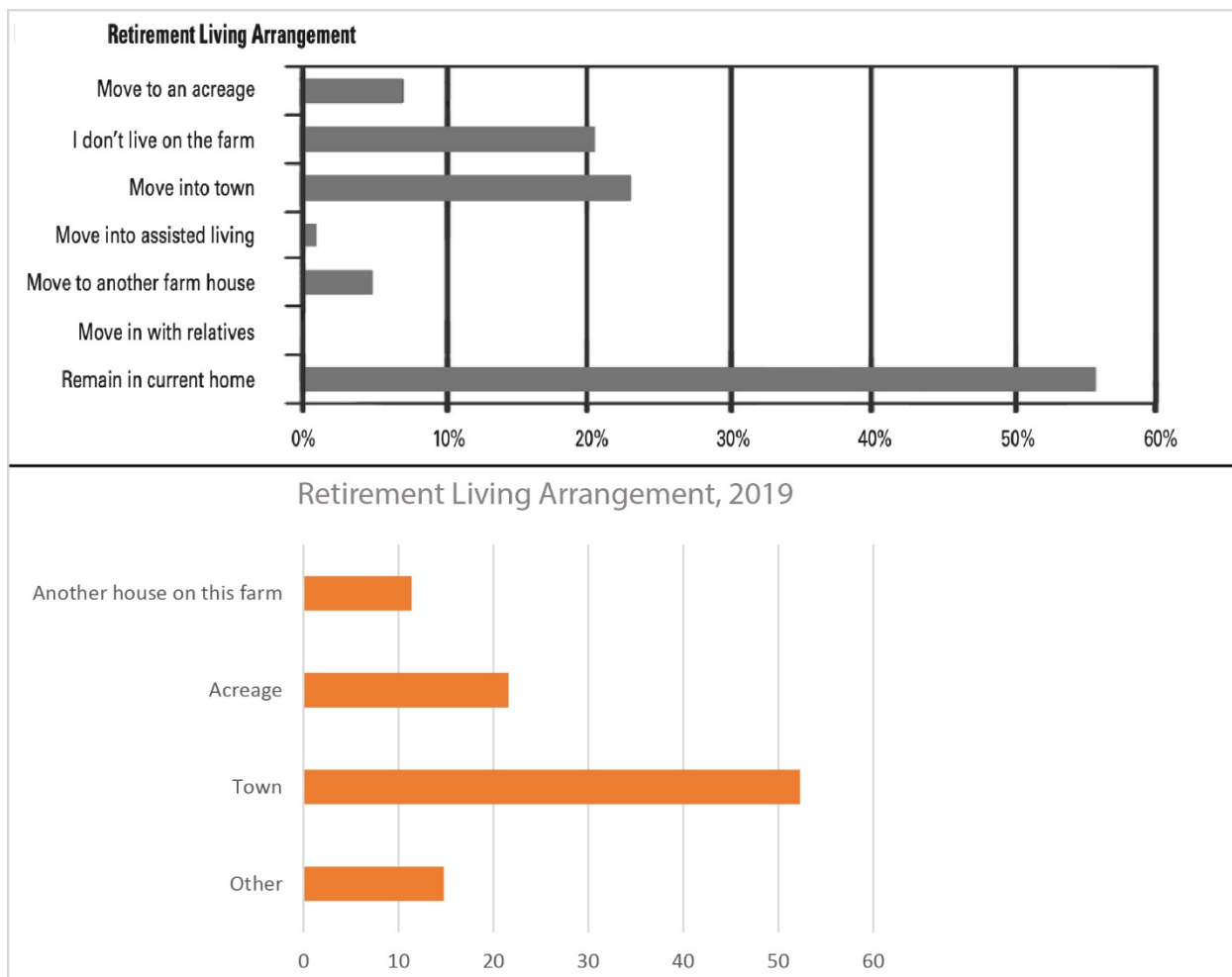
**Figure 11. Age at which respondents felt they would be too old to farm, 2019.**

As figure 12 shows, the majority of farmers responded that, upon retirement, they will continue to work the same as they are now, just less intensely. The second most common answer is that they'll help out at busy times only—very few respondents indicated that they will have no involvement on the farm.



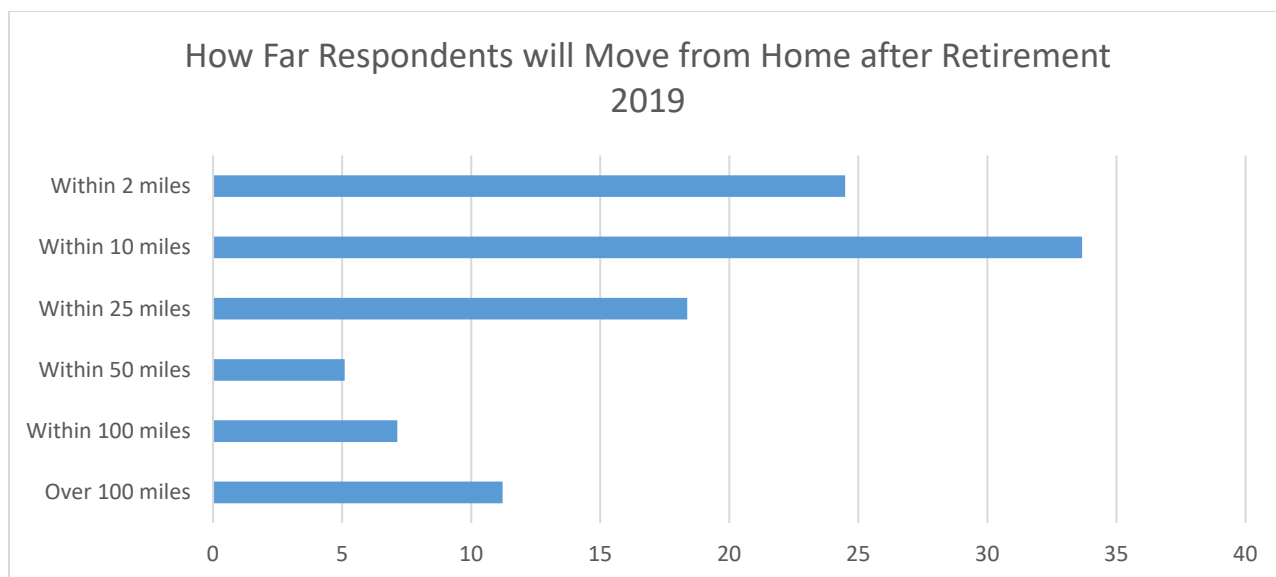
**Figure 12. Respondents' anticipated farm involvement after retirement, 2019.**

Among those who said they would retire in 2006, a little above 55% said they would not move from their current home. In 2019, 61% chose the same answer, an increase of almost 5%, but still in line with the 2006 data. As figure 13 shows, among those who want to move, the trend in 2019 is the same as 2006, when the majority of respondents indicated that they would move to a town.



**Figure 13. Where respondents that plan to move after retirement are wanting to live, 2006 (top) and 2019 (bottom).**

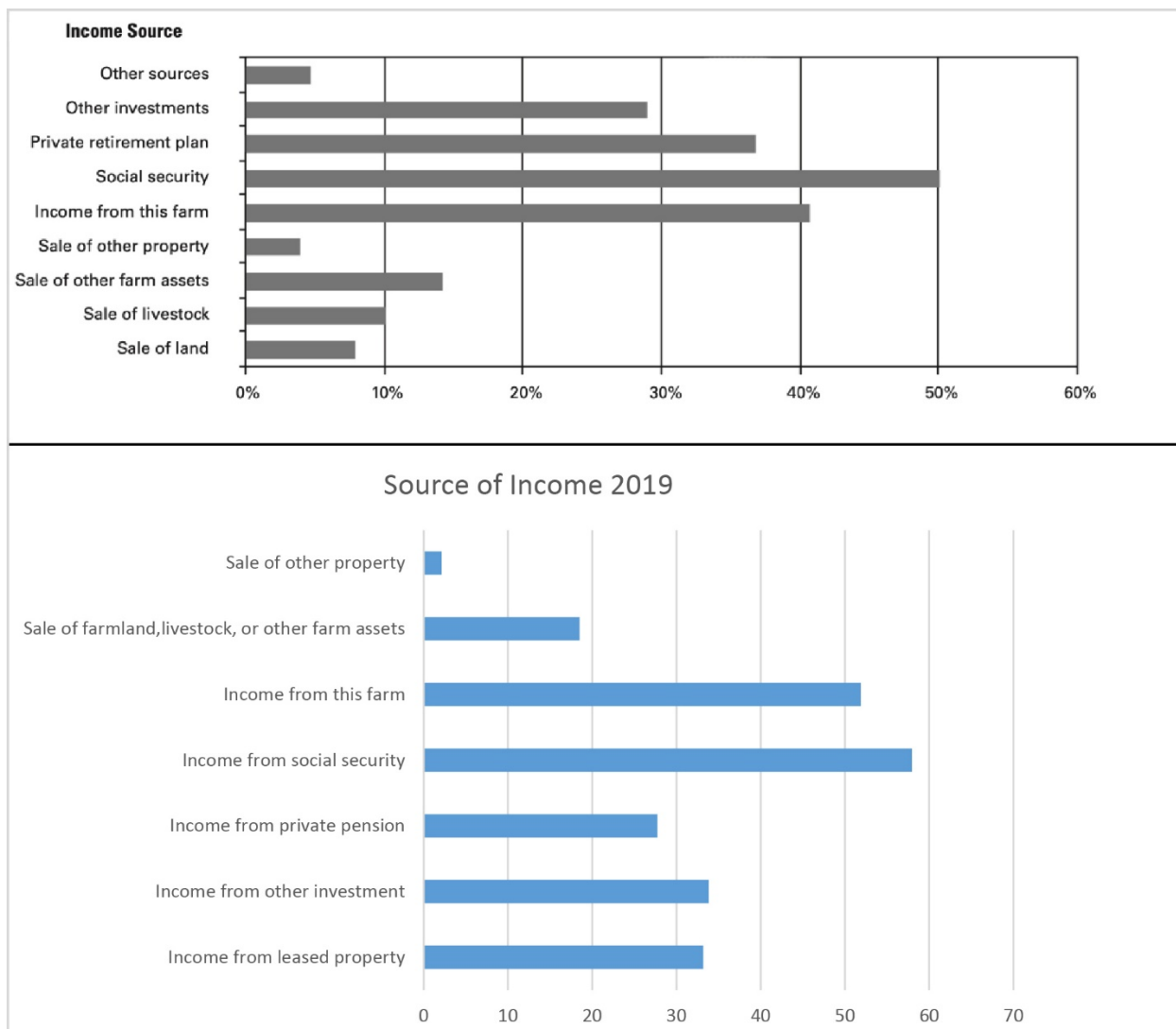
In 2006, 66% of respondents said they would move less than 10 miles from the home farm, 23% indicated they would move anywhere from 10 miles to 50 miles from the home farm, and 11% said they would move more than 50 miles from the home farm. In 2019, 58% indicated that they would move less than 10 miles from the home farm, 23% indicated that they would move anywhere within 10 and 50 miles, 7% indicated that they would stay within 100 miles, and 11% said that they would move over 100 miles away from the home farm, as figure 14 shows. Compared to 2006, there has been a decrease in respondents indicating that they would move within 10 miles, but it still fits the trend.



**Figure 14. How far respondents in 2019 plan to move from the home farm after retirement.**

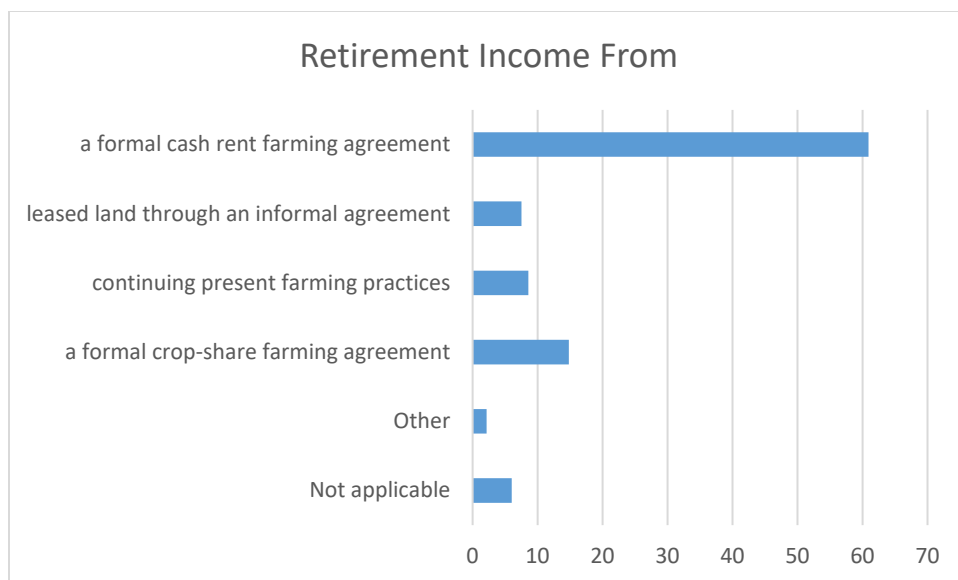
The vast majority of farmers (85.08%) have made provisions on how to finance their retirement. In 2006, Social Security was the most commonly identified as an income source (50%). The other top responses were income from the farm (41%), income from a private retirement account (37%), and income from other investments (29%).

In 2019, income from Social Security is still the most commonly identified source of post-retirement income (57.96%), an increase from 2006 (see figure 15). The other top responses were income from this farm (51.87%) and income from other investments (33.81%). The number of people who will rely on private pension decreased in 2019. Note that the sale of farmland, livestock, or other farm assets and sale of other property were less-common sources of income in both 2006 and 2019.



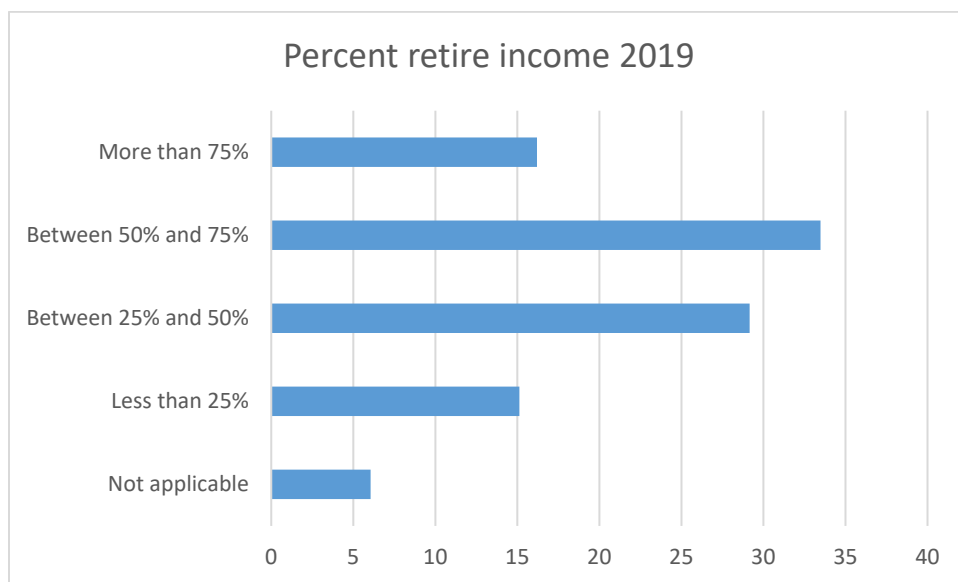
**Figure 15. Respondents' source of income retirement, 2006 (top) and 2019 (bottom).**

Figure 16 shows that, among respondents saying they will get income from the farm upon retirement, a little more than 60% indicated that the income will mostly come from a formal cash rent farming agreement. All other answers were significantly more uncommon.



**Figure 16. How respondents will collect farm income after retirement, 2019.**

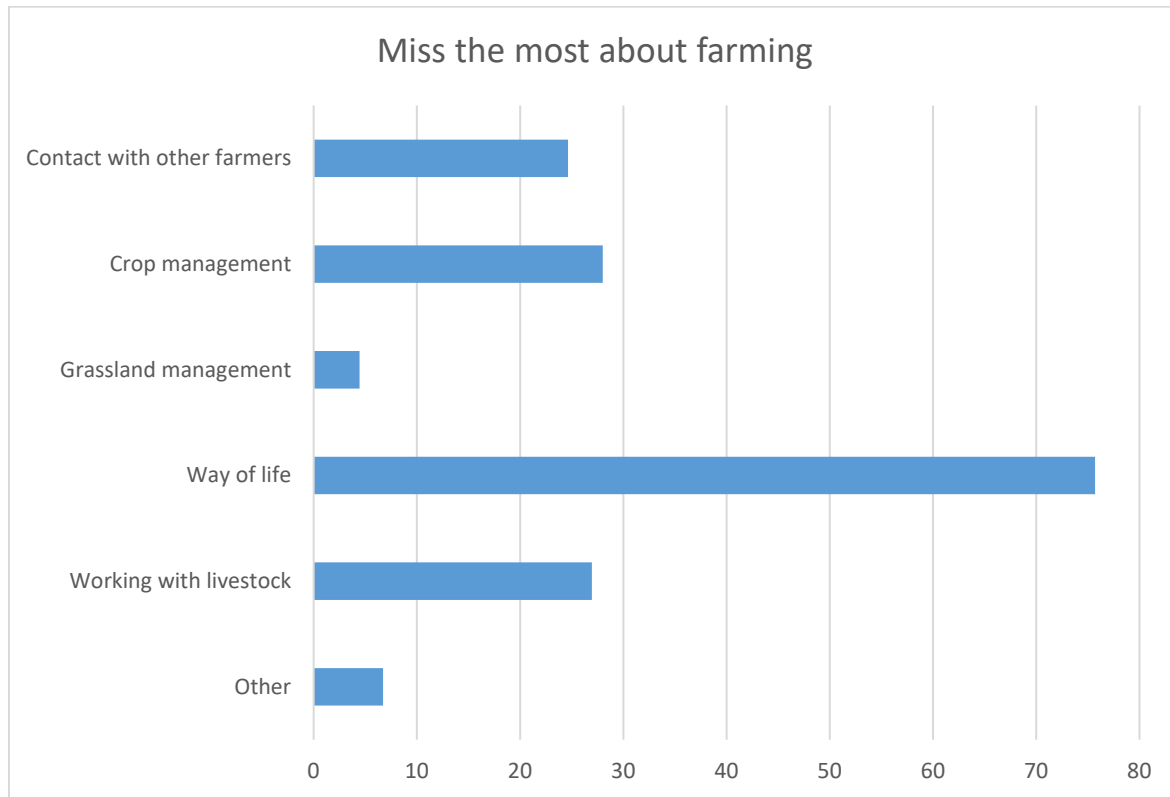
As figure 17 shows, among those that will receive income from the farm upon retirement, the majority stated they will get between 50% and 75% of all their retirement income from that source. The second most common answer was between 25% and 50% of income from that source. These answers show that the majority of farmers plan on depending heavily on this form of income.



**Figure 17. Percent of respondents' post-retirement income that will come from the farm, 2019.**

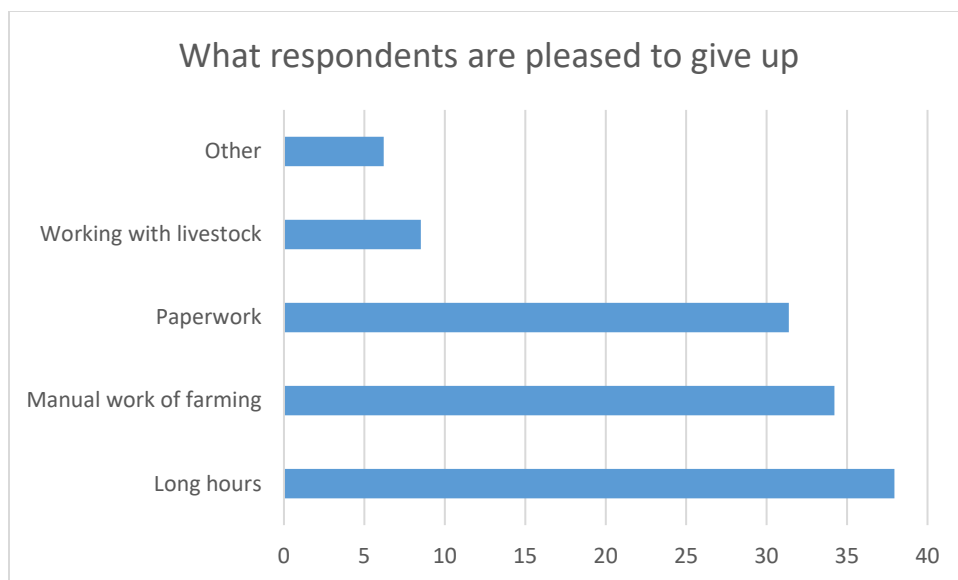
In 2006, most farmers said that they would miss planting, harvesting, working with livestock, operating equipment, open spaces, an active lifestyle, and independence the most. Less common

responses included associates, the challenge, trying new things and improving the quality of the herd or the crop, and the day-to-day change of pace and activities. In 2019, most farmers, 76%, responded that they would miss the way of life most (see figure 18). Less common responses were missing crop management, contact with other farmers, and working with livestock.



**Figure 18. What respondents from 2019 say they will miss most about farming, 2019.**

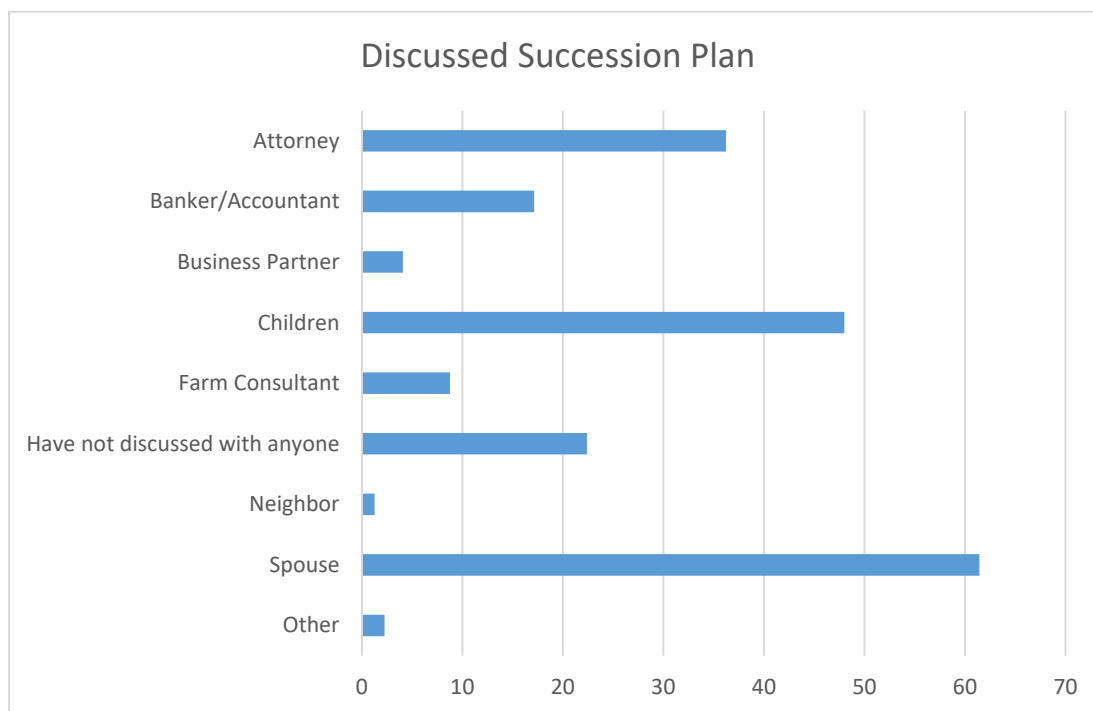
In 2006, respondents said they would be most pleased to give up grain marketing, long hours, hard work, and inclement weather. Other less common responses included government programs, paperwork, high input costs, achieving a positive cash flow, and livestock. In 2019, farmers said that they would be more pleased to give up long hours, manual work on the farm, and paperwork. Working with livestock was one of the less common answers (see figure 19).



**Figure 19. What respondents from 2019 say they will be pleased to give up, 2019.**

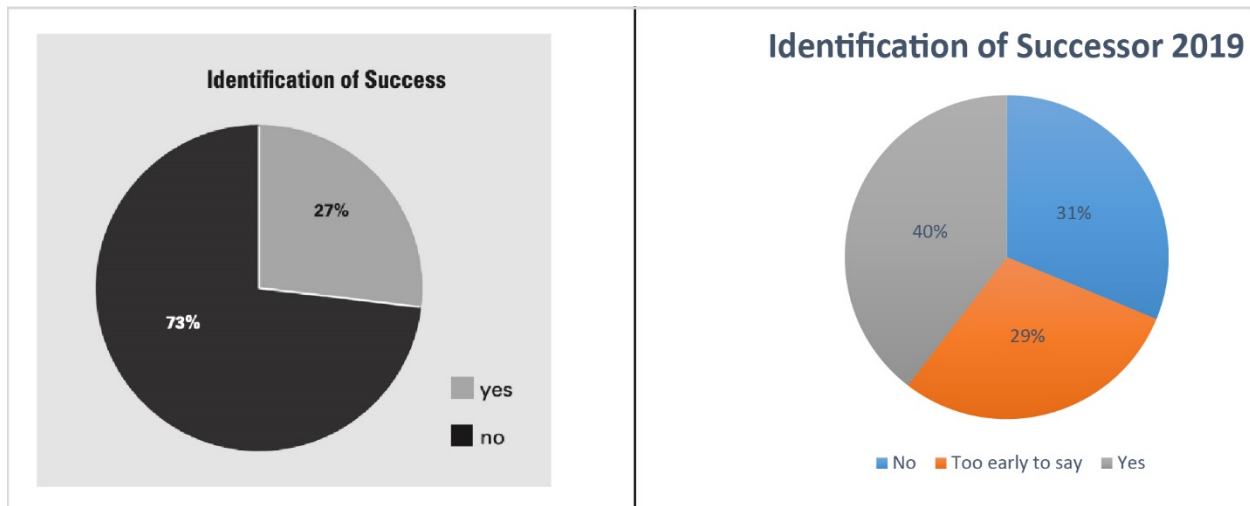
### **Farm Succession Plan and Successors**

In 2019, 66% of respondents said they do not have a formal succession plan. As figure 20 shows, the majority of farmers had discussed their succession plan either with their spouse (most common) or children (second most common); however, 22% of farmers had not discussed their plan with anyone.



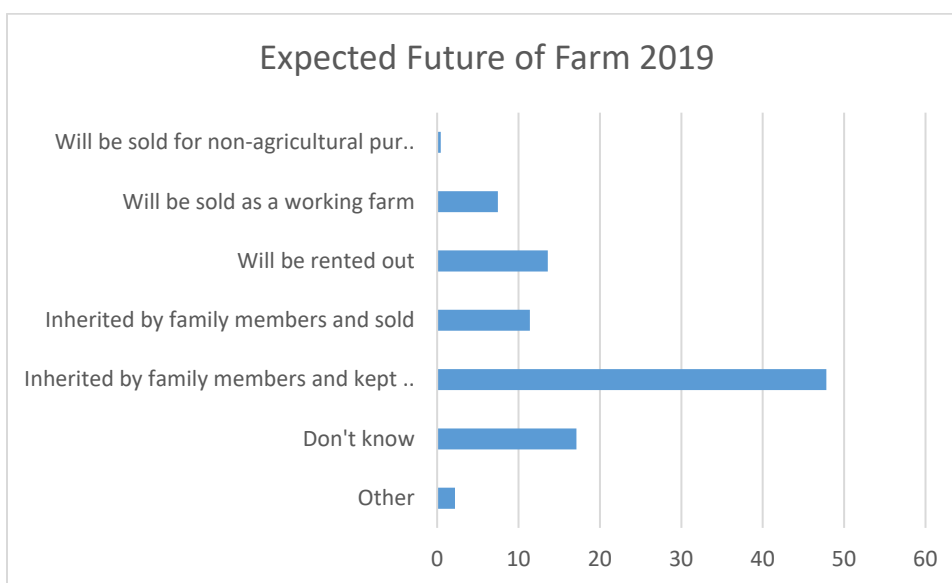
**Figure 20. Who respondents have discussed their succession plan with, 2019.**

Figure 21 shows that, in 2006, 27% of respondents had identified a successor, and 73% had not; and, in 2019, 40% of respondents claimed they had identified a successor, 31% had not, and 29% claimed it was too early to say.



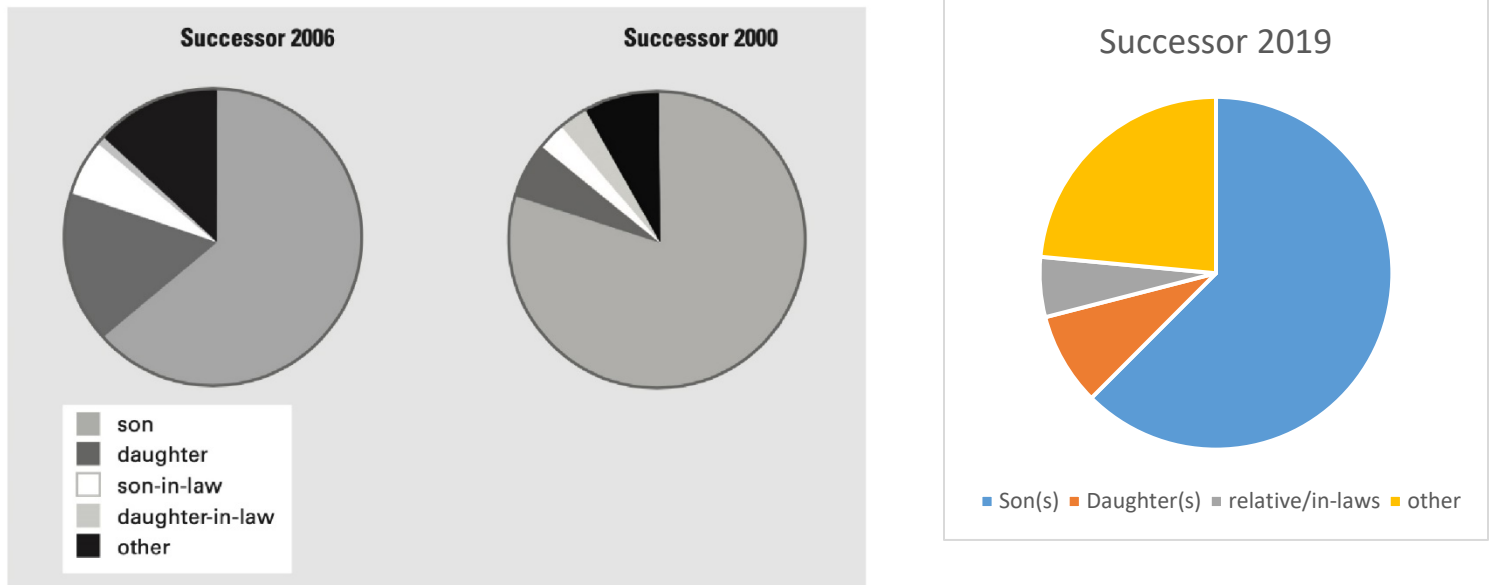
**Figure 21. Whether respondents have identified a successor, 2006 (left) and 2019 (right).**

Among respondents who have not identified a successor, 48% are confident that a family member will inherit and keep the farm—very few respondents think the farm will be sold or rented out (see figure 22). Among respondents who claim it is too early to say whether they will have a successor or not, 89% replied that they hope to have one.

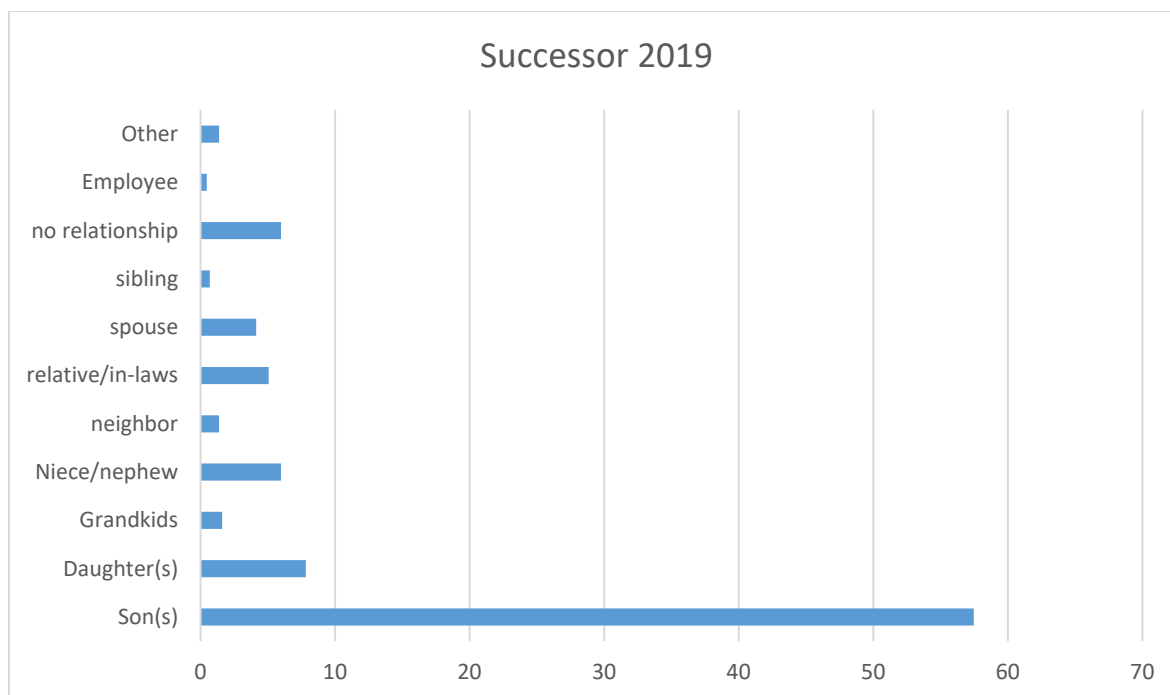


**Figure 22. What respondents who have not identified a successor expect will happen to the farm, 2019.**

Respondents in both 2006 and 2019 identified sons as the main farm successor. In 2006, 64% indicated their son would take over the farming operation, and only 16% indicated their daughter would take over the operation (see figure 23). Other common responses in 2006 were relatives such as sons- or daughters-in-law, nephews, cousins, siblings, and wives. As figure 24 shows, in 2019, 57.47% indicated their son(s) as primary successor and only 7.82% indicated their daughter would. Other common answers were nice/nephew and other non-relatives. It is important to note that the number of farmers who have chosen their daughter as the main successor significantly declined in 2019.

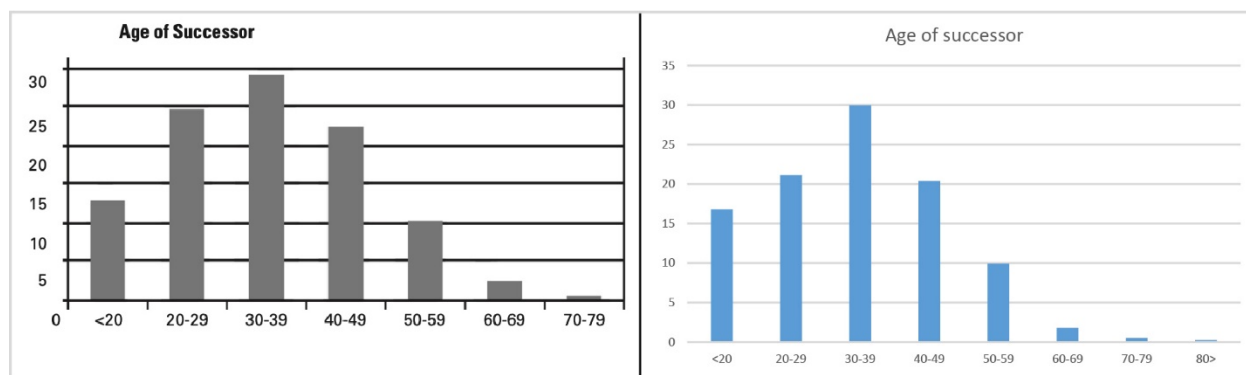


**Figure 23. Who respondents in 2019 (right), 2000 (middle) and 2006 (left) identified as successor.**



**Figure 24. Who respondents in 2019 identified as successor.**

In 2006, the average age of the identified successor was 34 years. In 2019, the average age of the identified successor was 33 years. As figure 25 shows, the average age has not changed much. When asked to identify a second successor, the majority of farmers still indicated a son; however, the average age declines to 28. Only when identifying a third successor does the number of respondents choosing daughters overtake the number choosing sons. The average age, however, only slightly decreases to 27, as table 3 shows.

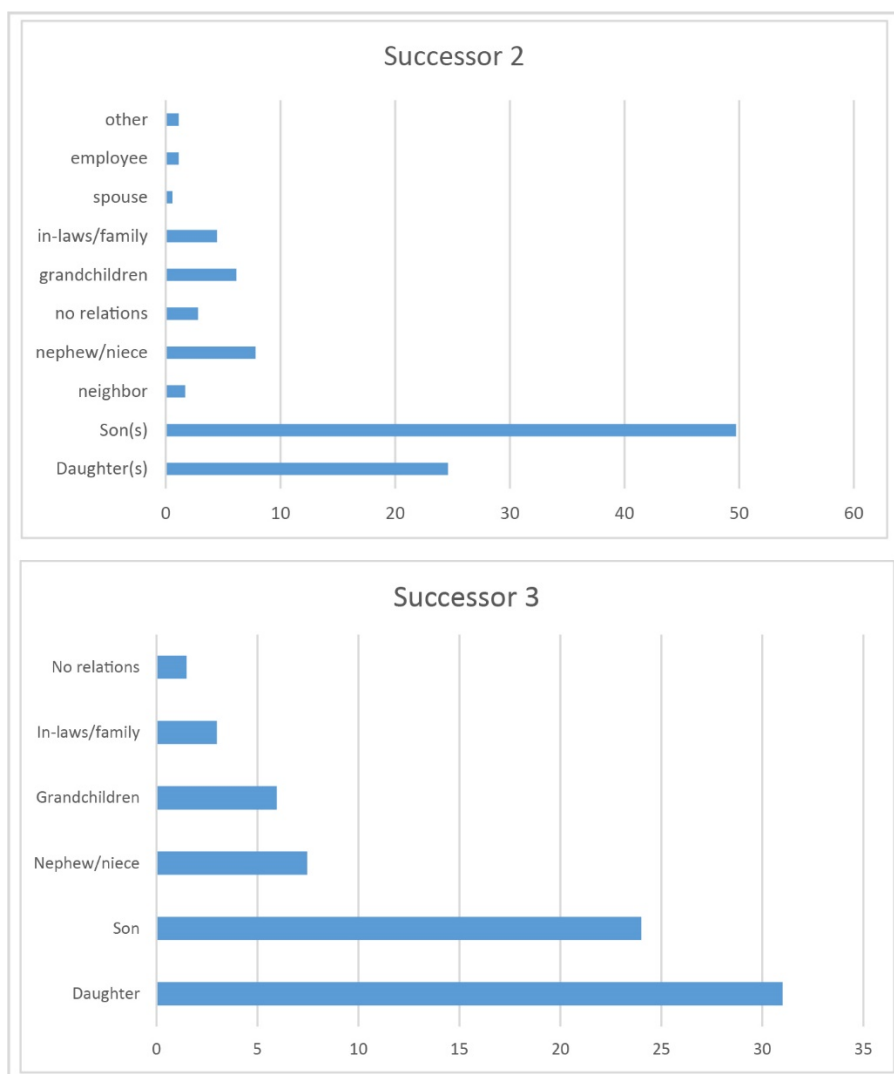


**Figure 25. Age of identified successor, 2006 (left) and 2019 (right).**

**Table 3. Mean Age of Respondents' Second and Third Chosen Successors, 2019**

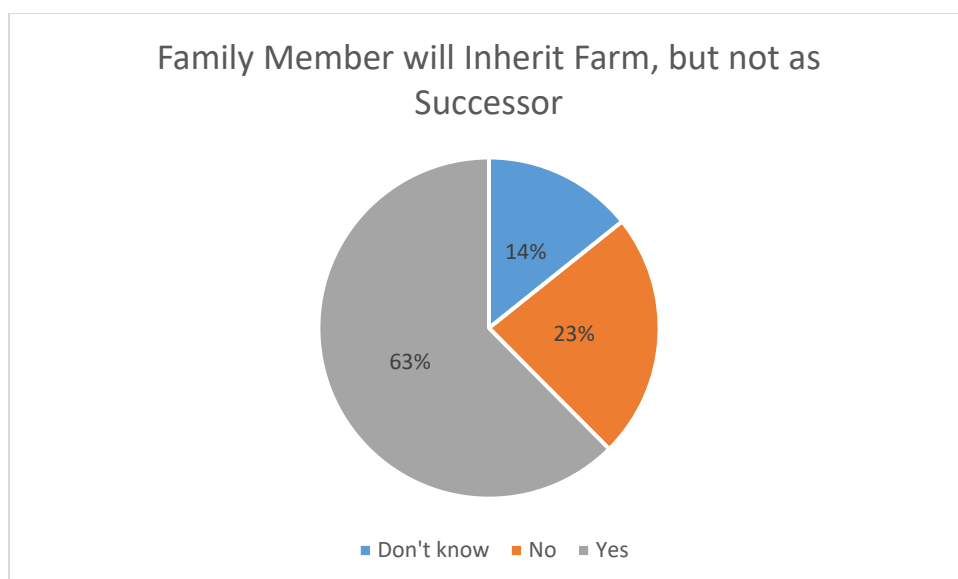
<b>Successor 2</b>	
<b>#</b>	171
<b>Mean</b>	28.14035
<b>Std. Deviation</b>	15.10953
<b>Min</b>	1
<b>Max</b>	83
<b>Successor 3</b>	
<b>#</b>	63
<b>Mean</b>	27.65079
<b>Std. Deviation</b>	14.40672
<b>Min</b>	1
<b>Max</b>	55

Only when identifying a third successor, does the number of respondents choosing daughters outnumber those choosing sons (see figure 26). When naming a third successor, the average age slightly decreases to 27, as table 3 shows.



**Figure 26. Ages and relations of second and third chose successors, 2019.**

Of the respondents that have identified a successor, most responded that the successor already works on the farm, whether part time (41%) or full time (59%). However, 63% of respondents declared that they have family members that will inherit a share of the farm but will not run the farm, as shown in figure 27.



**Figure 27. Whether respondents have family members who will inherit the farm, but not as successor, 2019.**

#### Decision Making on the Farm and the Successor's Role

In 2006, farmers made most of the decisions with some successor input (31% average). In particular, it is important to highlight that identifying sources of and negotiating loans and financing were made mostly by the farmer alone (47%); and, nothing particularly stood out as being done by the successor alone, (see table 4). As table 4 shows, in 2019, most of the decisions were made mostly by the farmer alone (58.5% average), an increase of 8.5% compared to 2006. Only 18%, on average, declared that the farmer alone made decisions some successor input, a very evident decline. Notably, in 2019, the number of respondents identifying sources and negotiating loans and financing alone increased to 66.6%. No particular stands out as being controlled by successor alone; in fact, that number has actually decreased.

**Table 4. Successors' Roles in Farm Decisions, 2019**

		Decision/Action taken by:					(Percent)
		Farmer alone	Mostly farmer, some successor input	Farmer and successor equally	Mostly successor, some farmer input	Successor alone	
Plan day-to-day work	2019	54%	14%	24%	7%	0.8%	
	2006	18	31	32	6	12	
Make annual crop/livestock plans	2019	54	17	24	4	1.1	
	2006	19	29	37	5	10	
Decide long-run mix and type of enterprises	2019	54	16	23	5	1.8	
	2006	16	31	34	8	11	
Decide input level use	2019	58	17	18	4	1.7	
	2006	25	25	33	5	13	
Decide the timing of operations	2019	54	18	19	6	2	
	2006	15	30	39	3	12	

**Table 4. Successors' Roles in Farm Decisions, 2019 (cont.)**

		Decision/Action taken by:				(Percent)
		Farmer alone	Mostly farmer, some successor input	Farmer and successor equally	Mostly successor, some farmer input	Successor alone
Decide when to sell crop/livestock	2019	64%	15%	15%	4%	1.4%
	2006	27	27	31	6	8
Negotiate sales of crop/livestock	2019	64	13	17	5	1.4
	2006	31	21	35	3	10
Decide when to pay bills	2019	71	9	15	4	1.1
	2006	44	20	19	3	14
Decide type and make of machinery and equipment	2019	52	18	22	7	3
	2006	16	30	34	11	9
Negotiate purchase of machinery and equipment	2019	58	15	19	5	3.3
	2006	23	27	31	6	13

**Table 4. Successors' Roles in Farm Decisions, 2019 (cont.)**

		Decision/Action taken by:				(Percent)
		Farmer alone	Mostly farmer, some successor input	Farmer and successor equally	Mostly successor, some farmer input	Successor alone
Decide when to hire more help	2019	59%	16%	14%	8%	3%
	2006	21	33	28	9	9
Recruit and select employees	2019	60	14	13	6	6
	2006	24	24	30	6	16
Decide amount and quality of work	2019	59	14	17	5	6
	2006	24	29	33	5	9
Supervise employees	2019	57	15	17	5	6
	2006	25	29	31	6	8
Decide work method/way jobs are done	2019	50	16	24	7	3
	2006	18	26	41	7	8

**Table 4. Successors' Roles in Farm Decisions, 2019 (cont.)**

		Decision/Action taken by:				(Percent)
		Farmer alone	Mostly farmer, some successor input	Farmer and successor equally	Mostly successor, some farmer input	Successor alone
Decide and plan capital projects	2019	55%	17%	21%	5%	2%
	2006	24	32	29	8	6
Identify sources and negotiate loans	2019	66	13	14	4	3
	2006	47	21	19	2	11

<b>Livestock management</b>	2019	56	11	22	4	7
	2006	19	20	35	8	17
<b>Keeping farm records</b>	2019	65	14	14	4	3
	2006	45	16	19	5	15
<b>Decide whether to participate in conservation programs (and, if so, which option to take)</b>	2019	61	18	16	4	1.4
<b>Average</b>	2019	59	15	18	5	3
	2006	25	26	31	6	11

As tables 5 and 6 show, successors' responsibilities change when respondents are over 70 years of age and successors are over age 35.

**Table 5. Successors' Responsibilities when Respondent was 70 Years or Older in 2019**

	<b>Decision/Action taken by:</b>				<b>(Percent)</b>
	<b>Farmer alone</b>	<b>Mostly farmer, some successor input</b>	<b>Farmer and successor equally</b>	<b>Mostly successor, some farmer input</b>	<b>Successor alone</b>
<b>Plan day-to-day work</b>	32%	21%	30%	15%	2%
<b>Make annual crop/livestock plans</b>	38	21	26	12	2
<b>Decide long-run mix and type of enterprises</b>	36	23	22	13	5
<b>Decide input level use</b>	42	15	26	12	5
<b>Decide the timing of operations</b>	34	18	29	15	4
<b>Decide when to sell crop/livestock</b>	45	12	29	11	4
<b>Negotiate sales of crops/livestock</b>	46	12	23	13	5
<b>Decide when to pay bills</b>	55	18	19	6	2
<b>Decide type and make of machinery and equipment</b>	39	16	23	16	6
<b>Negotiate purchase of machinery and equipment</b>	38	20	22	12	7
<b>Decide when to hire more help</b>	45	13	21	17	4
<b>Recruit and select employees</b>	46	13	19	11	11
<b>Decide amount and quality of work</b>	42	15	18	15	8
<b>Supervise employees</b>	43	13	21	13	11
<b>Decide work method/way jobs are done</b>	32	18	26	19	5
<b>Decide and plan capital projects</b>	43	16	22	12	6
<b>Identify sources and negotiate loans</b>	47	11	23	9	8
<b>Livestock management</b>	47	14	17	5	17
<b>Keeping farm records</b>	53	10	25	5	8

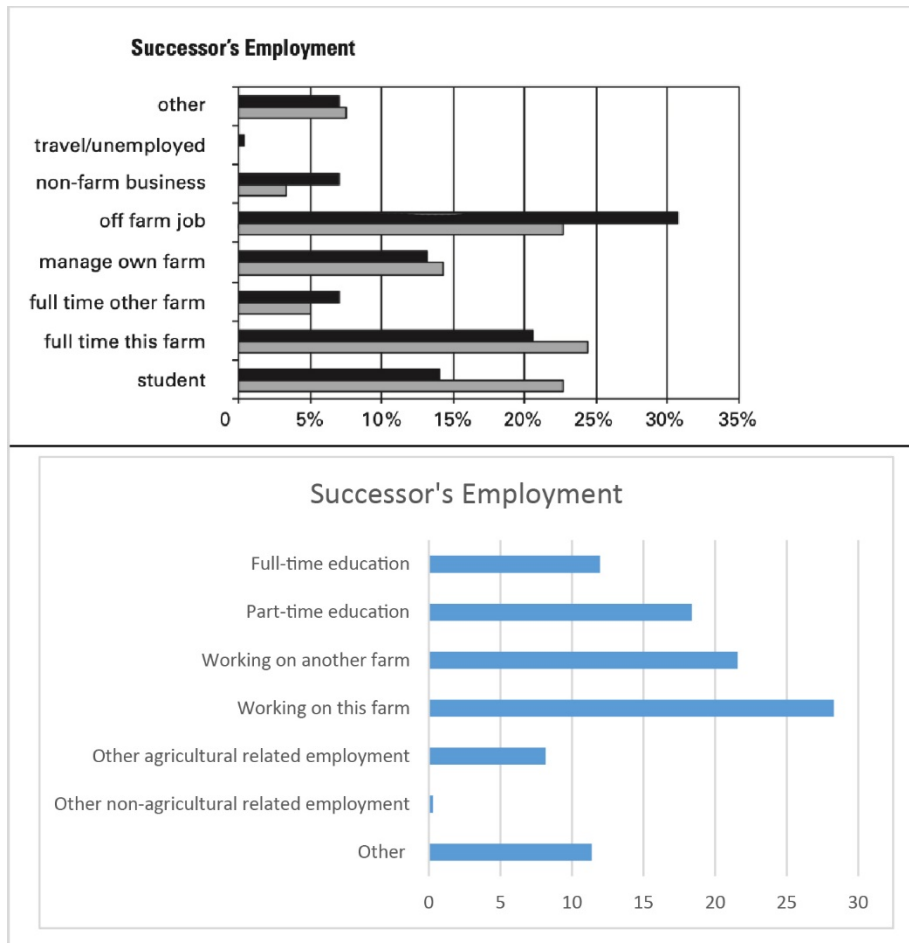
Decide whether to participate in conservation programs (and, if so, which options to take)	42	14	33	7	4
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**Table 6. Successors' Responsibilities when Successor was 35 Years or Older in 2019**

	Decision/Action taken by:				(Percent)
	Farmer alone	Mostly farmer, some successor input	Farmer and successor equally	Mostly successor, some farmer input	Successor alone
Plan day-to-day work	41%	23%	24%	10%	1.4%
Make annual crop/livestock plans	42	22	24	8	3
Decide long-run mix and type of enterprises	41	22	23	10	4
Decide input level use	47	17	26	7	3
Decide the timing of operations	42	16	30	9	3
Decide when to sell crop/livestock	49	15	26	8	2
Negotiate sales of crops/livestock	49	18	21	9	3
Decide when to pay bills	59	19	15	5	0.7
Decide type and make of machinery and equipment	40	24	20	12	4
Negotiate purchase of machinery and equipment	44	20	22	7	6
Decide when to hire more help	46	15	20	15	5
Recruit and select employees	45	15	21	11	8
Decide amount and quality of work	44	19	19	10	7
Supervise employees	43	17	22	9	9
Decide work method/way jobs are done	37	21	26	11	5
Decide and plan capital projects	44	21	23	7	5
Identify sources and negotiate loans	51	17	20	9	8
Livestock management	50	17	17	6	10
Keeping farm records	53	16	21	6	4
Decide whether to participate in conservation programs (and, if so, which options to take)	46	18	27	7	3

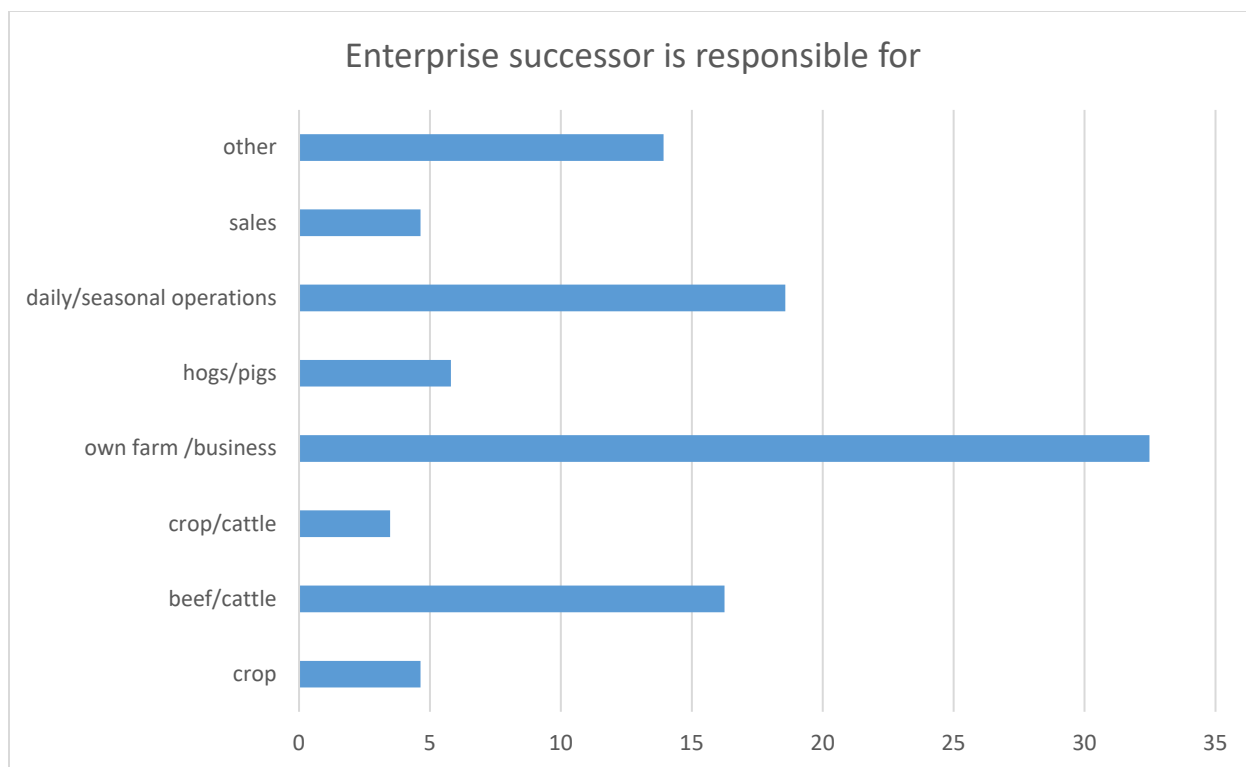
In 2006, successors' most common current type of employment was off-farm (31%), followed by full time on the operator's farm (21%), enrolled as a student (14%), and managing their own farm (13%), as figure 28 shows. In 2019, successors' most common type of employment was

working on the farm (28.28%), followed by working on another farm (21.57%), and part-time education (18.37%).



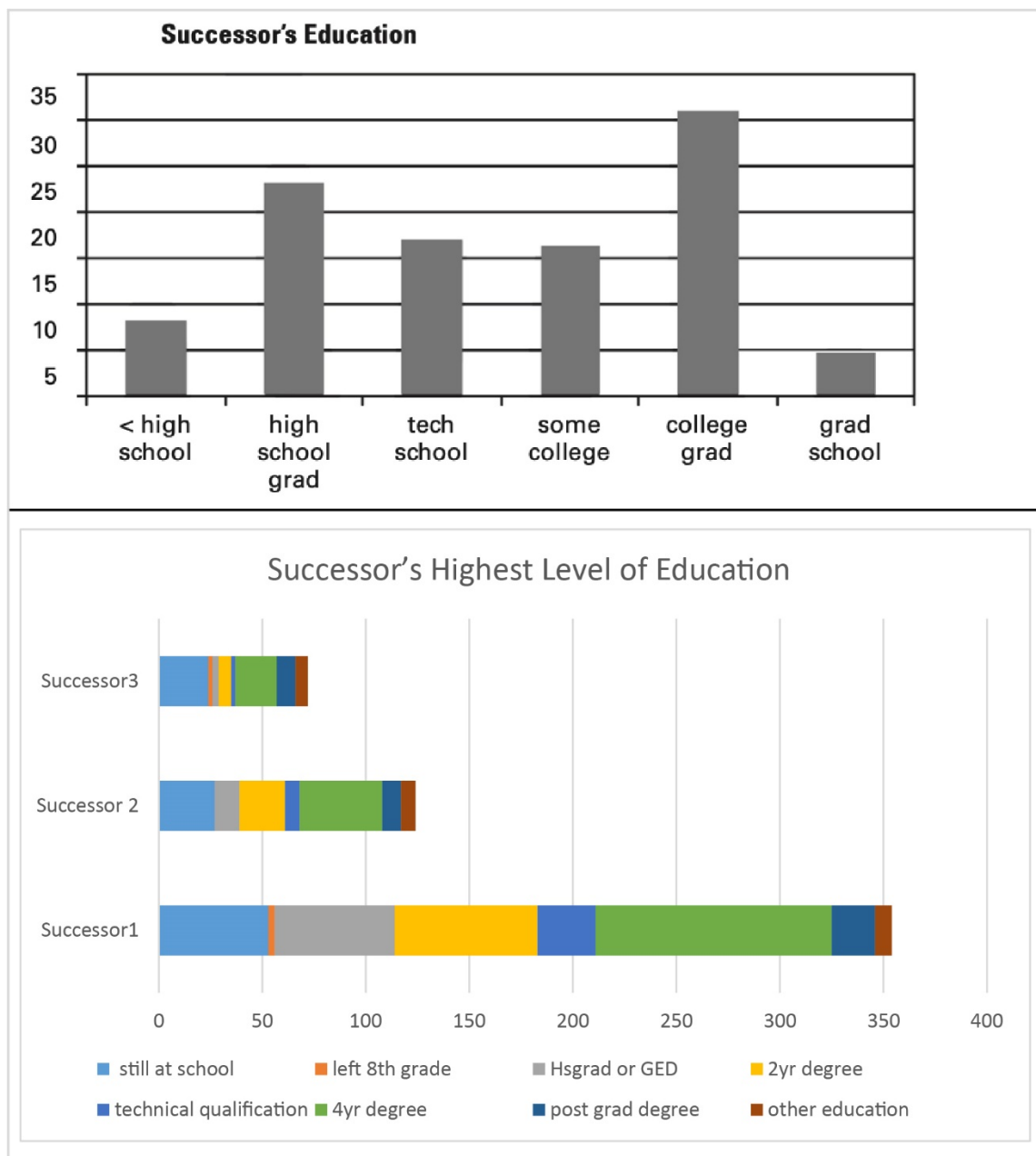
**Figure 28. Successors' main occupations, 2006 (top) and 2019 (bottom).**

In 2019, only 35% of respondents said that their successors had total responsibility for the farm. Figure 29 shows that, of those who said their successor had total responsibility of an enterprise, the majority own or rent their own farm, sometimes from their parent. Other activities include daily or seasonal jobs and responsibility for cattle and livestock.



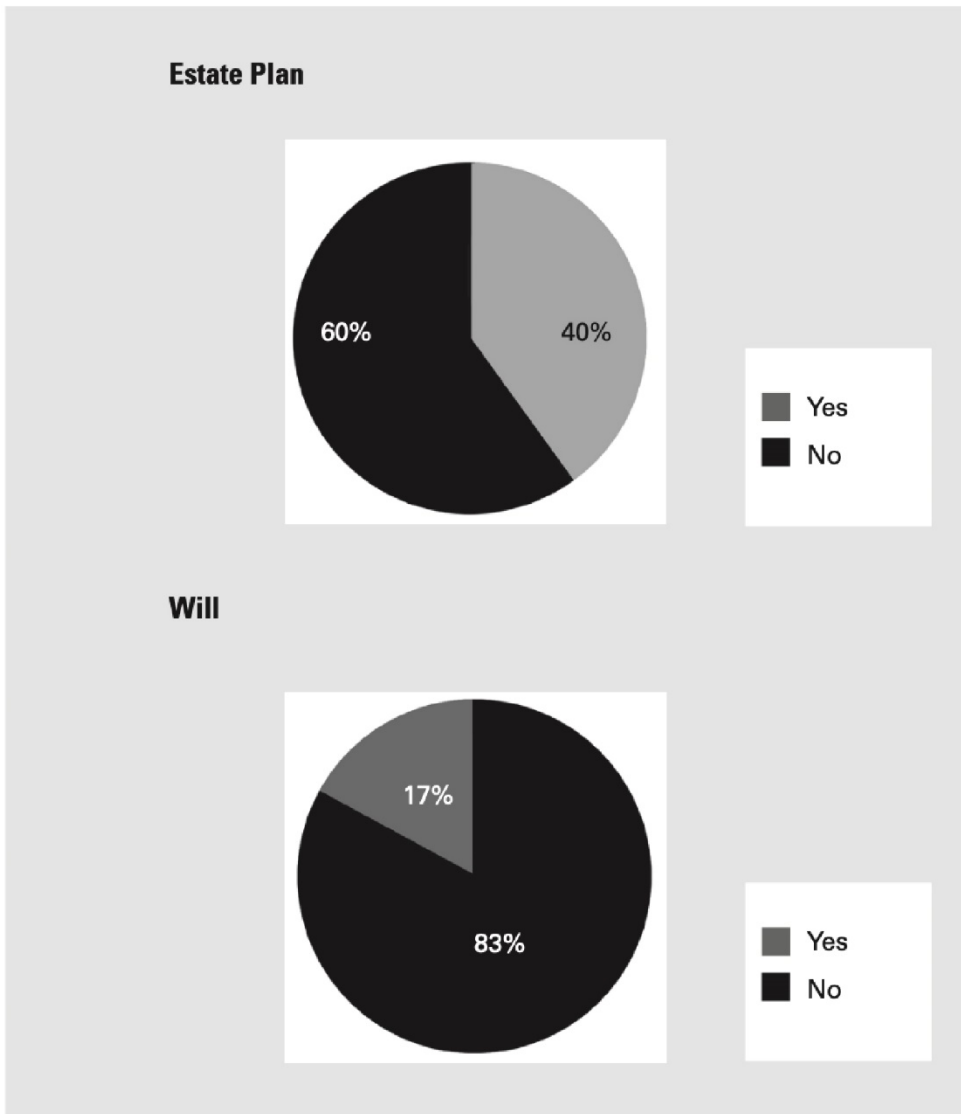
**Figure 29. Enterprise successor responsibilities, 2019.**

In 2006, respondents indicated that 31% of successors had an undergraduate college degree and 5% had a graduate degree; furthermore, around 13% had some high school education, but not a diploma, as figure 30 shows. In 2019, the majority of successors (when including successors 1, 2, and 3) had a college degree. The number of successors with a doctoral degree significantly increased; in particular, 5% of third successors alone have a doctoral degree. Furthermore, the percent of successors who left high school before getting a diploma significantly decreased to a little over 1%.

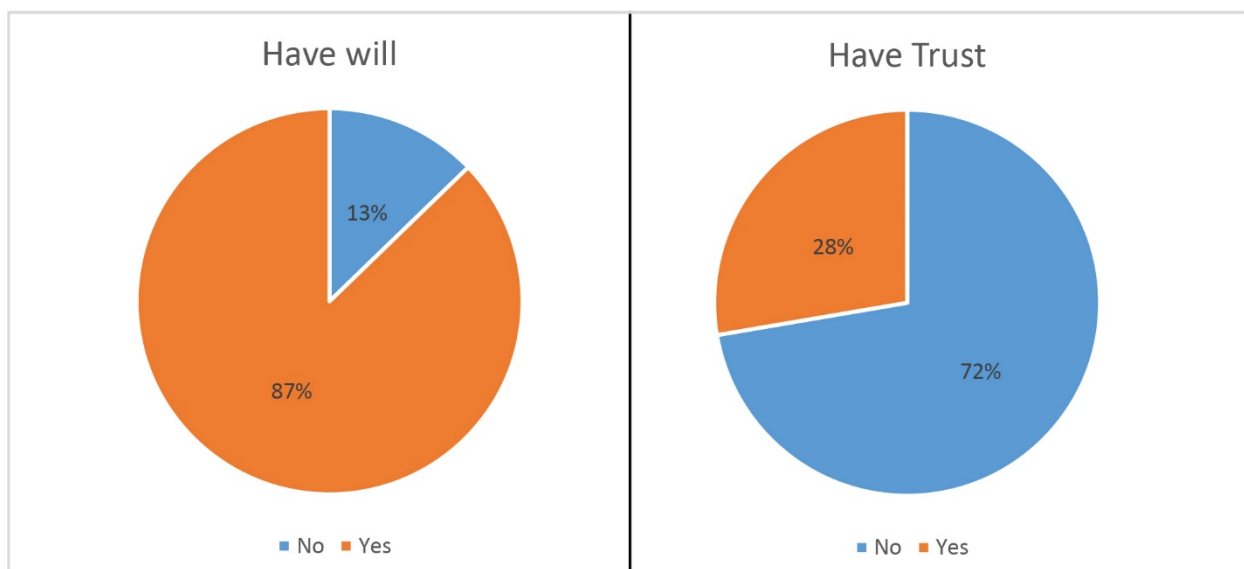


**Figure 30. Successor's level of education, 2006 (top) and 2019 (bottom).**

In 2006, 17% of respondents declared they had a will and 60% said they had an estate plan, as figure 31 shows. Figure 32 shows a significant increase in respondents declaring they have a will (87%); however, 72% of farmers do not have a trust in 2019.



**Figure 31. Percentage of respondents with a will or estate plan, 2006.**



**Figure 32. Percentage of respondents with a will or trust, 2019.**

### **Future Plan for the Farm – Words from Farmers**

Most respondents indicated that they would share the farm equally among heirs, to keep it in the family no matter what: "I plan for the farm to stay in the family and be passed down to my children and grandchildren." Some farms have been in the family for so long, the respondents think it would not be fair to sell: "My grandma's brother bought this farm in 1876—160 acres of the 260 owned and my intentions are to keep it in the family if at all possible, a least the 160"; and, another states: "Keep home farm purchased in 1866 as one unit (successor will inherit). Other purchased land and primary residence goes to successor 2, which can be sold if so desired."

A very common response was also to give most of the shares to the farming heir, or let him/her buy from the non-farming heir. Respondents usually indicated the non-farming will receive cash or assets to rent out, and life insurance is also a common asset given. Some questionnaire answers address respondents' reasoning about asset splitting: "Understand that fair is not equal. Family heirs will get land operation, plus additional land. Non-farming heirs will get some land and cash. This plan makes it fair, not equal." Another stated: "Talk - talk - talk to your children. Treat them fairly but not necessarily equally."

Respondents' answers show recognition of inheritance inequality; however, the responses highlight most respondent's desire to keep the farm as a unit, no matter what: "While I would like for it to remain in one unit and the heirs receive income from the farm, I do not require that in my will." The following response better captures the motif: "Whatever it takes to keep operation together: land and livestock, we are third generation." Some respondents feel so strongly about keeping the farm as unit they specifically required it in their will: "Plan on a trust that ground cannot be sold, except to do a tax-free exchange for a better farm. Must be 40–45 before land could be sold. Need to work so they appreciate how hard it is to keep or grow a business. Want this to be our legacy and theirs." Another stated: "The farm will be as a whole

with 5 heirs and one son managing and paying the other 4 rent. No selling of land for 7 years unless to son farming the land."

Many respondents indicated that, instead of splitting the farm, they rather the land be rented out to strangers or neighbors: "Keep the farm as a whole, split income between heirs, or sell and split between heirs." Another stated: "Passed down the farm to my 3 daughters, and they live on the farm and rent the land out." However, one response ties it all together: "Pass it on to my son, but it must be passed onto grandchildren after he is gone. My will states he cannot sell, but can receive profits from renting it out."

Some answers show that respondents believe keeping the farm in the family and renting it out would be a good investment, regardless of whether the heir farms: "Since all heirs have left the farm and have financially stable off-farm occupations, my recommendation would be to cash rent the land and retain joint ownership to capture increased value over time and to supplement their current income." Another stated: "Heirs maintain property to add a source of income for them and keep a family legacy."

Some responses show potential sadness or anger underlying respondents' tones, especially when considering the heir's interest in farming: "Sell it all, no interest in the farm at all. They won't have the burden of doing it later." Another stated: "The potential heirs don't care about the farm. They would just like a share of the money." Other responses show some respondents seem to have given up on deciding, and, instead, let the heirs decide: "Let the children decide what they want to do; I will have passed away." Some respondents, with a sad heart, recognize that they can do nothing but sell: "Sell it. It's a lonely thankless job."

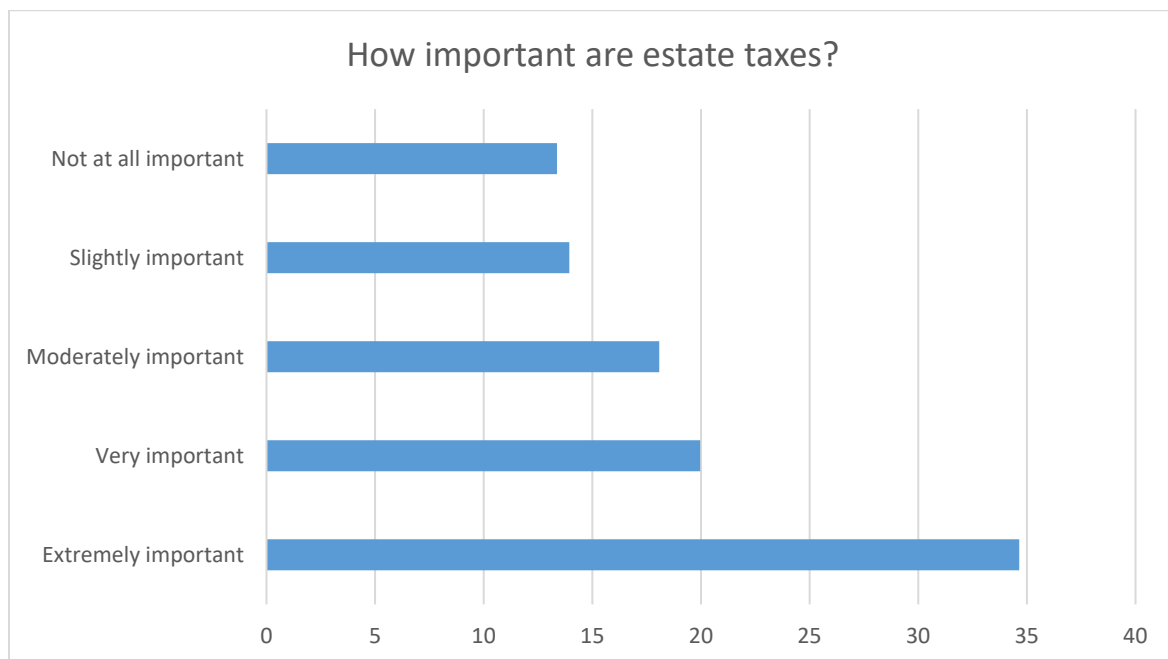
A good number of respondents also stated that they would sell the farm as a whole and split the proceeds equally: "Sell as one unit to a beginning farmer and divide equally." On the same line, some respondents indicated they would put the farm in an LCC to keep it as a whole and then split it among heirs.

Respondents also indicated feeling the need to give the whole farm to only one successor because of the very high land values and rental rates—they feel the heir will not succeed otherwise. For example: "Most of our farm assets are tied up in a C-Corp. We are gifting shares to on-farm heir in lieu of salary to get him more ownership than other heirs. Also, we have life insurance and some family land outside the corporation that we can leave to off-farm heirs. The difficult farm economy of the last few years has made estate planning less important, and farm survival more important!" Another stated: "The farming heir needs to continue to control acres to stay in business. They either need rental of the unit or inheritance of it. Land is hard to gain access to, rents are high, and land prices are way too high."

Another common response is putting the farm in a trust, as highlighted by this response: "Farm has been in a trust for 50 years. Have a clear trust to avoid complications later." Some farms are also corporations.

Some of the respondents have very recently themselves been successors: "I am 26 and have no successors yet. I am the successor. I am currently in the process of taking over more of the family operation. I rent land and equipment from the family, and custom farm for the family farm as well." Another respondent stated: "I just started renting my dad's farm last year. He did not rent it out until he was 87. I plan on giving the farm with the house to my wife. The other farm will go to the kids. The farm my dad owned I will give to my brother and sister," which shows how attached to their land farmers are. Some respondents indicated not knowing what to do: "If I knew what was the best plan, I'd have it done". One joked: "Waiting to see if daughter marry [sic] someone who might want to farm (plenty of people to rent to)." Another stated a concern: "A leading factor in the decline of rural communities is absentee land owners with no interest in the farm other than the income from cash rent. Farm management companies and outside investors exacerbate the problem," which perfectly sums up what has been said so far—farmers are very attached to their farm.

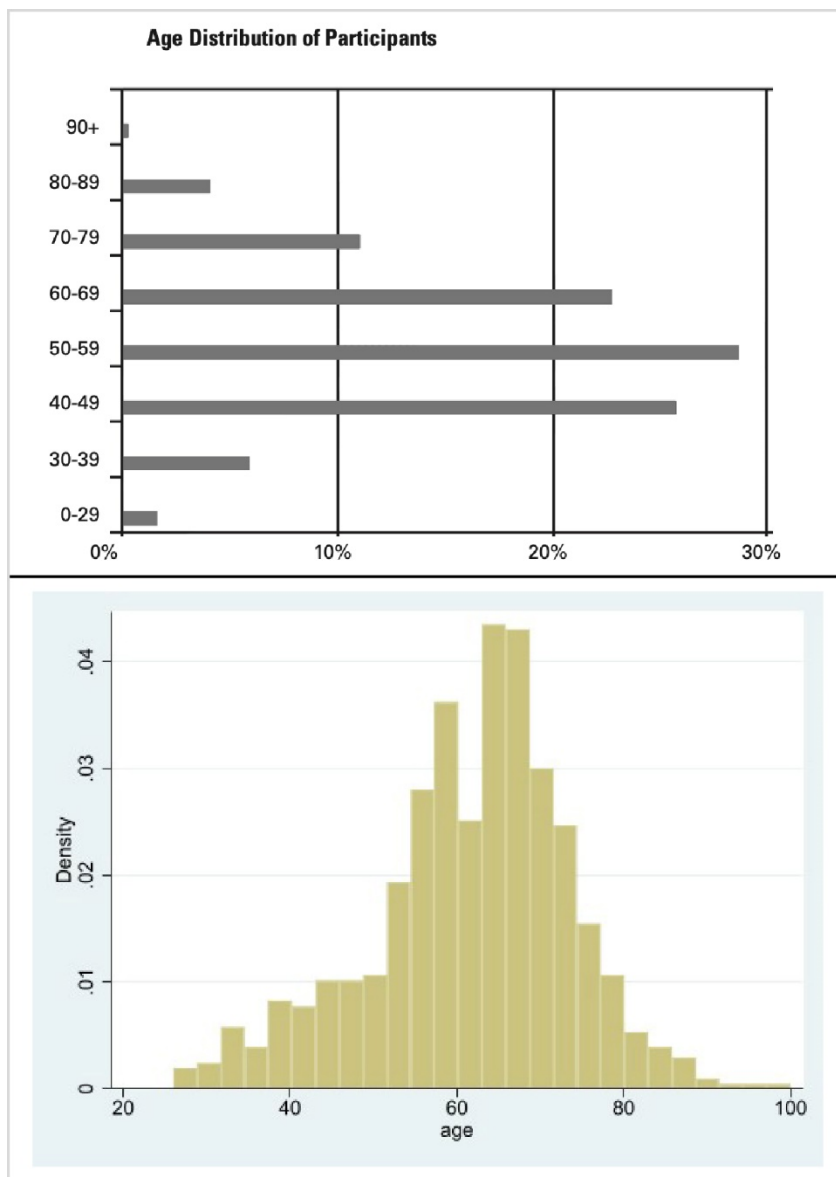
Overall, 57% of respondents in 2019 stated that estate taxes were a consideration when making decisions about their retirement and succession plans. The majority of farmers considers estate taxes extremely important or very important. Only 13% of respondents indicated they are not important, as figure 33 shows.



**Figure 33. How important estate taxes are for respondents, 2019.**

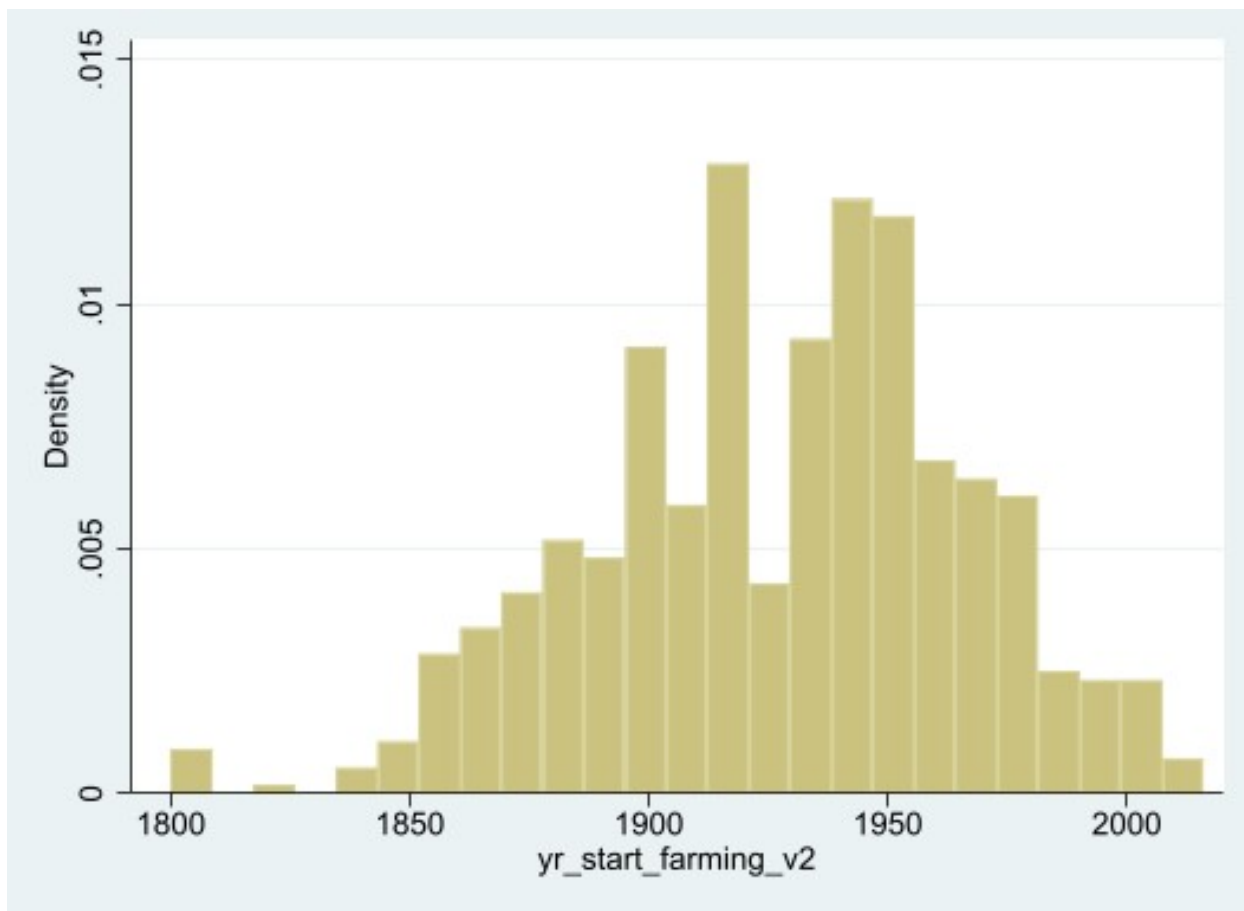
### **Respondent Demographics**

In 2006, respondents were >96% male and <4% female, and in 2019, respondents were >95% male and <5% female. Figure 34 shows that, in 2019, the average age of respondents was 61 years old, with the youngest being 26 years old and the oldest being 100 years old; whereas, in 2006, the average age was 56, with the youngest respondent being 22 years old and the oldest being 95, which shows that there has been a significant increase in the age of farmers.



**Figure 34. Age of respondents, 2006 (top) and 2019 (bottom).**

The greatest majority of respondents indicated they are not first generations farmers, which is in line with previous responses. The majority of families started farming in 1927, and responses included one family that started in the 1800s and one that started in 2016 (see figure 35 and table 7).

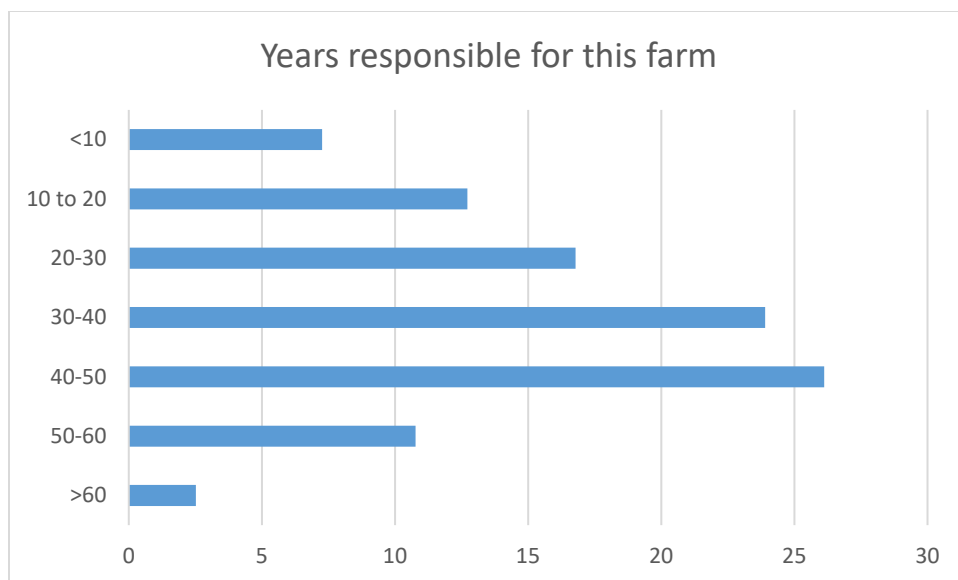


**Figure 35. Year in which respondent or respondent’s family began farming, 2019.**

**Table 7. Year Respondent or Respondent’s Family began Farming, 2019**

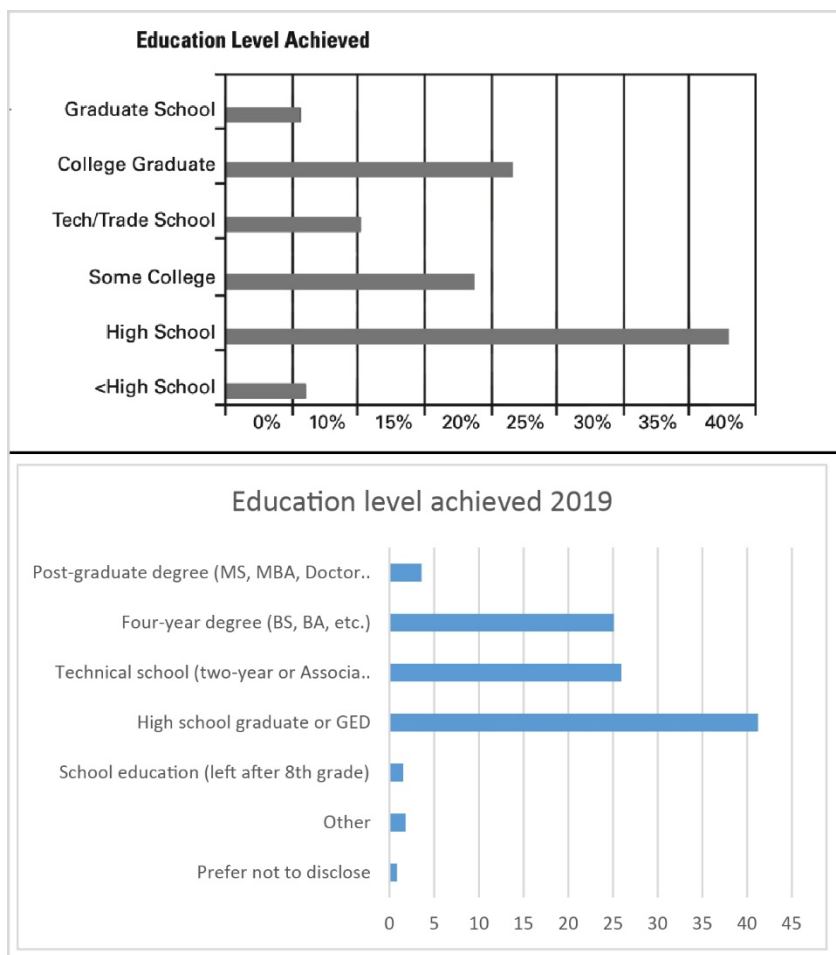
<b>Mean</b>	1927.64
<b>Standard Deviation</b>	38.74316
<b>Min</b>	1800
<b>Max</b>	2016

In 2019, 68% of farmers reported having not farmed elsewhere before becoming responsible for their farm, which suggests most families pass down farms through the generations. As figure 36 shows, the majority of respondents have been responsible for their farm for 40 to 50 years, with the second-most common response being 30 to 40 years. A small number of respondents have been responsible for the farm for 60 years or more.



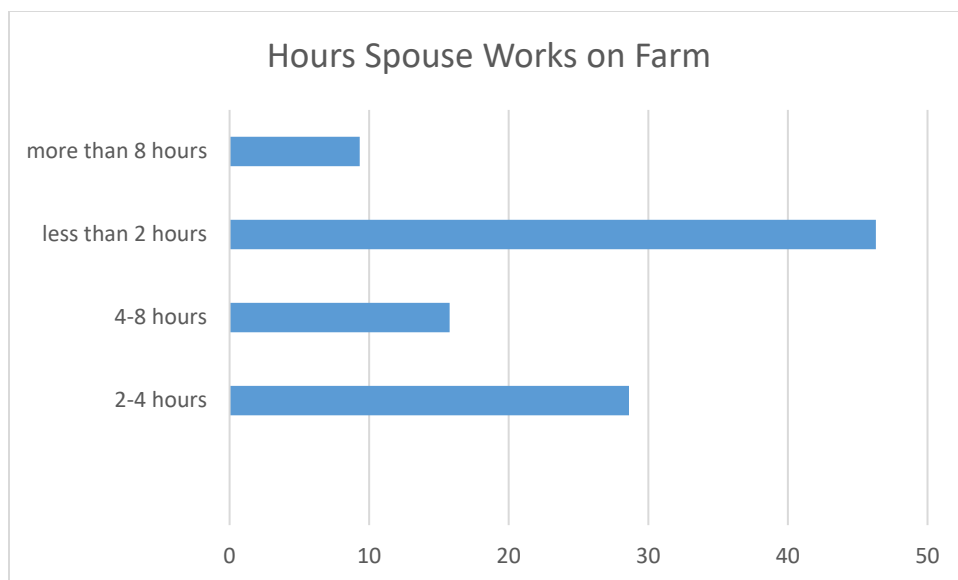
**Figure 35. Number of years respondent has been responsible for the farm, 2019.**

In 2019, 41.25% of respondents indicated that high school was the highest level of education they had achieved, which is an increase from 2006 when 38% of the respondents had answered the same. In 2019, 25% had a four-year degree and 25.93% had a technical degree. In 2006, only 19% had a four-year degree and only 10% had a trade or technical degree. In 2019, only 3.59% of respondents stated they have a graduate degree; however, in 2006, that number was slightly less than 6%. In 2019, 1.52% had left after eighth grade, which is a decline from 2006 when 6% stated that they had received less than a high school education. As figure 36 shows, the number of respondents who have left school after eighth grade, who only have a high school degree, or who have a graduate school degree have decreased, while the number of farmers who have a four-year college degree has increased. There has also been an increase in number of respondents who went to technical school.



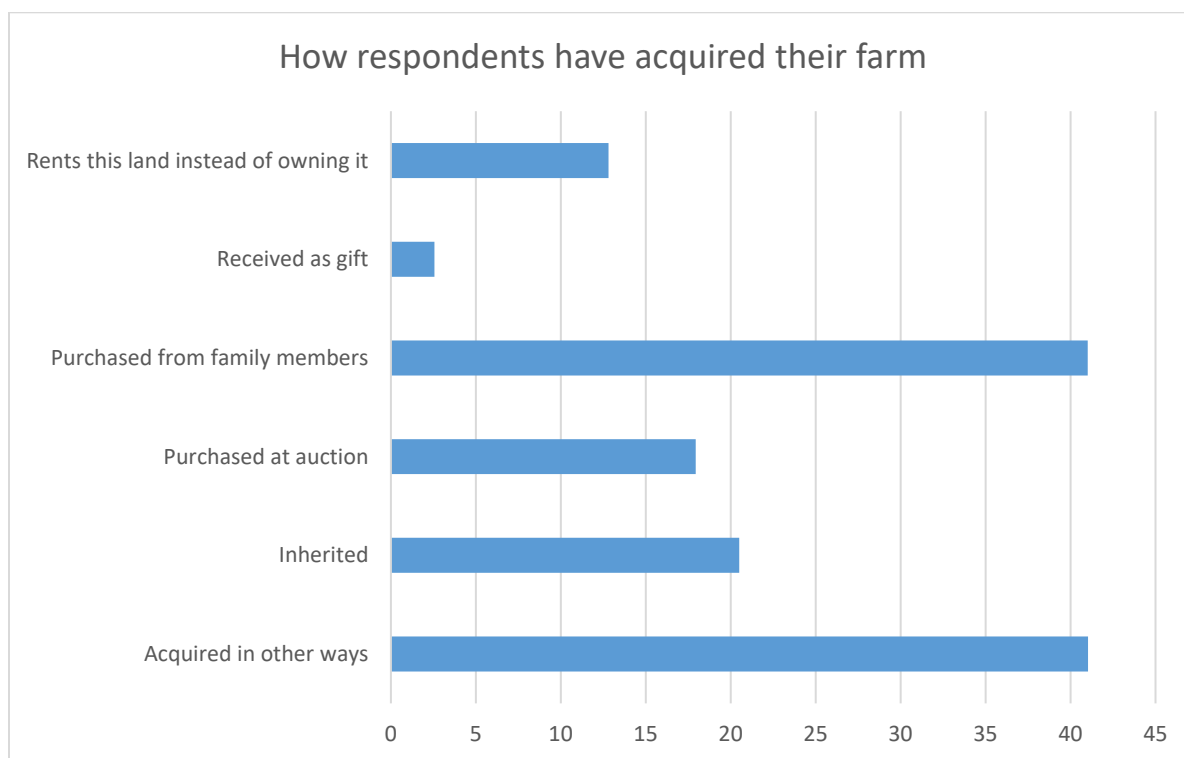
**Figure 36. Respondents highest level of education, 2006 (top) and 2019 (bottom).**

In 2019, the majority of respondents, 57%, indicated that their spouse does not work on the farm, which is not a large majority. However, as figure 37 shows, the majority of spouses who work on the farm only works for less than two hours per day. Furthermore, in 2019, 78.9% of the farmers stated they receive an off-farm income (minimum=0%, maximum=100%, mean=41%).



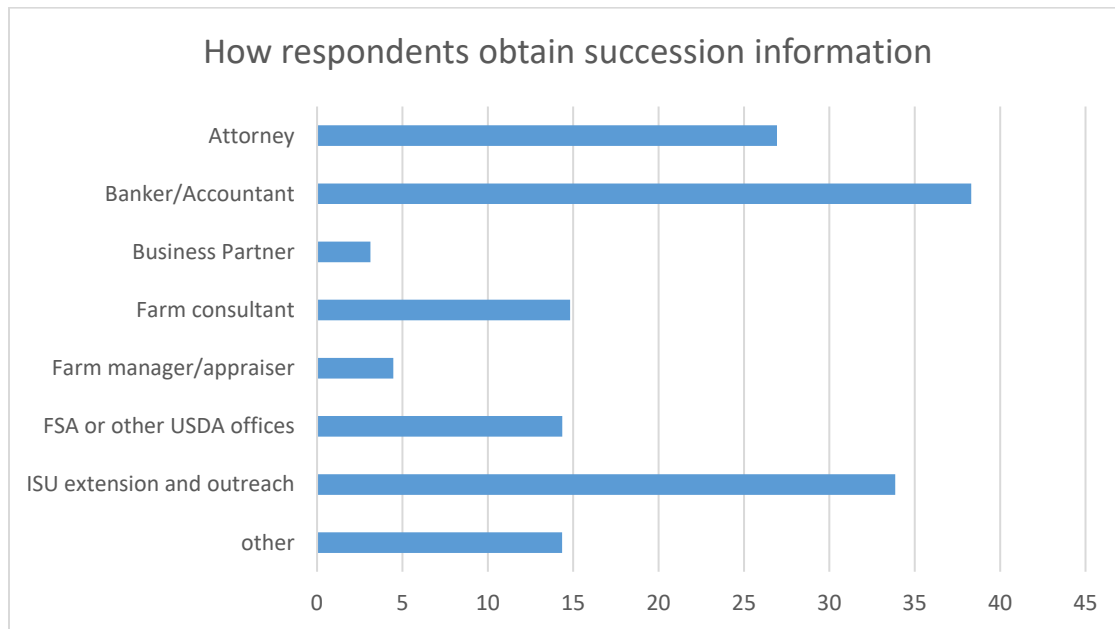
**Figure 37. Hours spouse works on the farm, 2019.**

As figure 38 shows, the majority of respondents have acquired their farm by purchasing it from family members. Almost as many respondents acquired their farm in other ways, including by purchasing it from non-relatives. It is worth highlighting that one respondent reported having “stolen it.”



**Figure 38. How respondents in 2019 acquired their farm.**

The majority of respondents obtain succession information from their banker or accountant, followed by ISU Extension and Outreach and attorneys, as shown in figure 39. Among the “other” responses, the majority obtains information from magazines (one farmer suggested to “READ A LOT”).



**Figure 39. How respondents in 2019 acquired succession information.**

## References

Barclay, E., Foskey, R. & Reeve, I. 2005. "Farm succession and Inheritance: Comparing Australian and International Research." The Institute for Rural Futures, University of New England, Armidale, NSW, Australia.

Iowa State University Extension and Outreach. 2006. "Iowa Farmers Business and Transfer Plans." Available at <https://www.extension.iastate.edu/bfc/files/page/files/IA%20Farm%20Business%20survey%20results.pdf>.

## **Appendix**

### **Written Comments by Our Farmer Respondents**

"All rented- no plow"

"There aren't enough young people to take over the existing farms. I have seen very few people in the next generation who are willing to take on the workload, isolation, financial responsibility of running a farm. Consolidation and migrant workers will become very common."

"There are only 6 states that have inheritance taxes and Iowa is one of them. Childless people are discriminated against in Iowa. This is absolutely devastating to my farm succession. I have worked and paid my property taxes, income taxes; and now the state of Iowa is UNFAIRLY targeting a select group of people to be taxed again. I have used the resources from this farm to make improvements and thus creating a huge economic impact to the local economy; not to be decimated by unfair IA state inheritance tax, upon my death."

"if the government hadn't tried to run off small farmers we wouldn't be having this problem."  
"I haven't received any rent for 6 years. My grandson is farming 120 acres, but hasn't paid any rent. The input costs are too much, so there isn't any money left to pay rent. My wife and I live off of social security."

"The biggest problem I see for smaller (younger) farmers to expand, is the ability to rent land at a price that is profitable. Established farmers can pay more just to farm more land and never make a dime on that piece."

"Hope kids won't have to sell part of farm to keep it. Damn taxes. And hope the nursing home doesn't take any of it!"

"Gave son 35% of the land. Balance of estate to be shared equally."

"I have not thought about succession to date, I am in the process of the succession plan with my parents"

"We have farmed here since 1979. we were planning on having our son farm, but since we have lost money farming the last few years. We do not want to have him involved since he has a good job and 3 children to support."

"We hope the overall farm economy improves profitability so younger farmers can sustain themselves without off farm income."

"My successor #1 currently rents 2 hog buildings from me. This agreement started when I decided to quit raising hogs 3 years ago. So I have some history with him at this time."

"Prices need to be higher to allow young folks to make it without having to work a regular job. and big farmers are becoming too big-they squeeze out the young people. crop insurance needs to eliminate prevented planting for farmers that have several thousand acres and can't plant because they are too spread out."

“The only thing holding back younger farmers is the older farmers (70-80 years of age) not retiring.”

“I have sons and grandsons set up for two generations of succession”

“[related to estate taxes question] below limits, debt is as inheritable as asset, I have too much debt”

“This has been in the family since 1903. 116 years, plans are to keep it in the family. It is more than a century farm”

“Note: ISU should have started farm succession information meetings 30-40 years ago, as there would not be so many broken families.”

“Just hired new employee with understanding he would take over operation when he and I are ready.”

“I began farming my father's farm in 1972. After my marriage in 1977, I bought an acreage and rented the land there while I continued to farm my father's. I eventually bought my father's farm and the land around the acreage I live by now. My four sons are interested in farming part time while keeping their jobs. As of now, I plan on keeping them with some decisions now and eventually doing less and less of the decisions. I'm doing decisions now because they weren't that involved in the early 2000's.”

“It is still in the early stages but working to get the best fit with everyone. Family meetings to be conducted with more info shared.”

“I'm in a unique situation - as of now I have 2 children and no grandchildren. I think highly of the young man I've asked to farm this farm when I retire - I'd like to figure out a way to help him get started as well as possibly buy the farm in the future.”

“I am widowed from a farmer. I am invested financially in the farming operations, but my daughter/son-in-law do all the rest.”

“I just lost my semi-retired farming father (81) in the past yr. we had an informal succession plan in place including contract purchase of machinery & cows. his 600 ac. of land was transferred to my mother upon death via will. long story short it basically have 2-600 ac. transition/successions in play to consider. I have 1 single brother and a generally cooperative family on these matters.”

“I hope my input is helpful, although I am afraid I am too young to truly be of assistance.”

“I am 77 years old and semi-retired at 75 and started a 50-50 lease arrangement with my son and plan to change to a cash rent agreement in the near future. things will have to improve before that can happen.”

“I would give anything just to have more farm ground. The big farmers always get what they want, and feel us small farmers are put on the back burner at times. We are the ones who started the farm business, small farmers.”

“Just want to try and make things simple and clear.”

“Non-farm heirs have no interest or know how to run a farm. Liquidation is more profitable than earnings.”

“I plan to farm the land until 2031-2041, and sometime in there I will sell the land and retire. I will most likely move to a different state. I don't think my boys would be interested in a part time farm. They are not mechanically inclined to keep the older tractors and machinery going. They also can't afford new or somewhat used equipment.”

“We are just in the early stages of setting up a trust with a plan for management.”

“Have a neighbor renting part of my land, he will have it all in a couple of years, but he will be retiring when I am 80. Will have to decide then on a new tenant or whether I want the farm to continue.”

“I enjoyed my farming career. Great satisfaction but I also have a big debt load to pay off yet. Nobody's fault but fine. Biggest hinderance to handing off the farm to next generation is lack of profit. Sustainability is key word for consumers. thats bullshit profit is what keeps a farmer farming.”

“General health is a big factor on when a person has to give it up!”

“With overpriced land you need to transfer thru family if possible. The sale of the land is eaten up in taxes. Incorporating was our best way to go. Also provided a retirement income.”

“Thanks for the great opportunity to share my thoughts.”

“This survey was difficult to complete as I use a farm management company, but I still consider myself as the farmer.”

“We have a trust established for the children.”

“Our trust is for the grandchildren but we are considering selling all the farm land before we die.”

“Equipment costs are driving consolidation and forcing more acres per farm.”

“My father, uncle, and I farm together. We haven't had discussions yet on a successor plan, but need to. We don't have many ideas on how it would work.”

“My nephew will take over”

“Farm land is a safe place to keep money safe.”

“My husband passed away two years ago, so my son will inherit the farm.”

“I would like to rent to a young farmer on a 50/50 basis. If something happens to me before my wife then she would prefer cash rent - but ABSOLUTLY no farm thieves I mean Farm Managers wait same thing lol. I do have it in my will if the kids have to turn the farm over to a Farm Management Outfit then it has to sold. Other than that life is GREAT!”

“I gave up parts of my farm to get each successor to start their own farm operations, and make their own decisions to build their own operations and work together. Hopefully by the time I stop my operation, it can be split between grandchildren to get them started on their future farming operations.”

“I would be very interested in getting information on how to get our son involved with our farming operation.”

“My father passed less than a year ago. His half of the trust now belongs to my mom. She owns the 120 acres, but long term care would consume much of the property. We have this 5 year problem about passing inheritance down to her children. Will most likely have to loan money against the farm to keep up with care facility cost.”

“Not working on succession to my kids yet. because my father is still farming at age 63. percentage of acres farmed together is 33% me, 55% dad, 12% custom farming. I am 4th generation in America.”

“Due to the farm economy and mood of the banks, it's hard to know from year to year if farming is successful.”

“Youngest son would like to farm, but economy is changing too much to make any plans. Trump can change markets in one day. Not much upside right now, things are for big farming.”

“It’s absolutely impossible for a young person to get started farming. the established get richer and the rest get pushed out.”

“I started farming in 1999, when my dad retired. My dad owns 400 acres and overtime I have purchase 90 acres and farm some of the neighbors land. My wife and I have always had full time jobs. The only way I’ve been able to build up my operation is not to take a penny out for any personal expenses over that last 20 years. I have also been in a machinery partnership with my neighbor, this has allowed better technology without all of the cost. I currently work at a bank and my 20 years of being involved in agricultural lending has also helped me know what I need to do to build a profitable operation. My goal was to get this thing built up to the point when I was 55 I would farm full time. My son is 16 and at this point I do not know if he will have interest in the operation. If he does I may step back and finish my career in banking while the farm keeps expanding. I know he will also have to have a job unless we can grow the operation

big enough that he does not have time. Family living is one of the biggest changes I have seen in farming. I think back to how my grandparents lived and if we all continued to live that way a lot of us could just farm full time. We all make choices and all decide on how were going to live and thus my wife an myself have choose to work full time to allow us to grow an investment portfolio separate from our farming operation. Bigger is not always better, we are doing great farming 1,000 acres with jobs. Equipment allows us to get our work done in a timely fashion.”

“It would be nice to pass the farm on to a family member, but it is tough to encourage them to farm the way the prices and income are. They can make money and have less stress in a different job.”

“Hours and sacrifice to make a farm successful.”

“We don't really know how to transfer assets in a fair way to daughters.”

“At age 48 it seems young to think about succession, but all major investments I make on the farm from here out will depend on the likelihood of next generation taking the farm over. Like new livestock facilities or more land. Otherwise I could farm the rest of my career with just minor investments.”

“Jobs. It really takes commitment and sacrifice. Back to a rural lifestyle and uncertainty, they need to be compensated.”

“When it comes to succession planning, you can never start too early. In my experience, it takes at least 5 years to get the trust and kinks worked out. We share crops, and it has been a great experience helping a young farmer grow. It has been great watching him care for my land and fulfilling my expectations. Very rewarding for all involved.”

“I believe my oldest son will farm when I retire.”

“Still trying to figure out how to be fair and equable to children not wanting to farm but to keep The farm together to be profitable,”

“There are not enough programs or incentives for young farmers to get started”

“A great challenge to move the farm from generation to generation, but worth the trouble.”

“Our plan was in place, until the untimely death of our daughter from earlier this year. We will take some time, but hope to have a new plan in place within 12-24 months.”

“I want to thank you how have sent out this survey. Filling this out helped start some valuable family discussions!”

“typical in family farm succession plan”

“I hope to keep several young farmers farming in my community. I hope they will continue the no till and strip till with cover crops I have been working on.”

“It's hard to figure out a viable plan.”

“Farm is a family 5-corp. to be handed to next generation of 4 individuals. One nephew and possibly a niece intend to take over farm.”

“My son and I have talked it over and we are figuring it out.”

“So a succession plan must be very detailed and reviewed often.”

“We are a little ways of the time yet but I'm thinking all the time of what is fair to next generation. We bought it from previous generation and it didn't hurt us to make payments. Having them buy gives them ownership verses crop sharing till I die.”

“Monoculture row cropping is not sustainable. Crop and livestock rotations are necessary for the health of the land, farm families, and rural communities.”

“I am involved in a family corporation and I believe it will continue but with major changes as some will probably be sold to settle estates, but some relatives indicate they will keep corporation. My wife and I think our personal land will continue with daughter/son in law but will be leased out.”

“4th generation family farm, no family to succeed so it will be split up, sold, or rented out.”

“In 1984 my father had a farm sale. All land and machinery. No succession! I was 30 years old, how do you build equity when 2 years later, banks and other lending institutions FORGAVE LOANS. 80% of farmers today, had forgiveness of loans. My father had 0%. These farmers competed against me daily. Should have put handcuffs on them, allowing solvent farmers 1st priority at rents of farm ground.”

“Eventually cash rent entire operation to successors and give them discounted option to purchase farm land in my trust and will”

“My attorney told me to give the farm to my grandkids in case my daughter and son-in-law would end up in a divorce and they would lose it this way we gained a generation. in my knowledge I would enjoy keeping the family farm my father and his father had.”

“Our farm is 3/4 the way though succession from my Father (age 63) to me and my brother (age 35 and 38). We will wait to see if our kids want to farm when they grow up. Both our wills have ways for kids to decide if they would like to farm as adults or be bought out. Will make a new plan when it is know if anyone wants to farm. If not we have a plan in place to wind down the farm. Will amount to us selling equipment slowly and hiring things done like spraying or grain hauling. Then retire and rent out any land that we do own.”

“Currently considering a number of options for my farming operation.”

“Successor's father deceased from farm accident at early age. We are blended family with two children each.”

“Finding the right person to take over is a big problem and very concerning.”

“I'm confused about a succession plan. The government does not make it easy at all to make a division. You never know what to expect. I feel that I produce products for other people to make money off of without a loss. I hate going to my local ASCS office. It's not easy trying to take care of my land without check with them first. [unintelligible] is we don't know yet. Farming is all training. Do any of your people really know what's going on? \$3.00 corn, \$7.00 beans. What difference does it make, more paperwork. I am renting 80a to my son in law and renting a 140a farm 50-50 to help them farm more land then the government pay a high amount for rent in the 10 years program/Frustrated on the Farm.” [Rough transcription, difficult to decipher]]

“There will be no succession in my family when I retire. Land presently farmed will be rented again to another operator.”

“We have been meticulously planning succession as the older generation is working its way into retirement. My operation is land that I now rent from the older generation as they reduce their responsibilities. We share equipment and work together but have our own operations. We are using trusts as a tool to help with succession.”

“My plan is to sell to the highest bidder. I have no need to impoverish myself or my spouse just to pass the farm on to a relative.”

“Would like to know the best way to have it stay controlled by the family but not sold”

“Oldest generation needs to be encouraged to plan early. I still rent from my 90+ year old parents and will never see an opportunity to purchase.”

“I will farm until not capable and crop share”

“We will live out our lives on the farm. Children may retain for income--grandchildren hopefully and son on. Tough times now!”

“Something needs to be done to help young farmers on average sized family farms. Not the large farms that are ruining the chances of so many young people from getting established.”

“The farms will be in a trust with my daughter and lawyer in charge. I have sold one farm to my daughter and son in law.”

“I started farming in 1981 on 160 acres. I am still trying to pay it off. Only hope my life insurance will pay it off. I have two sons that farm and are getting tired of city people buying farm land. We can't afford to. I would never farm again cause of all the competition from neighbors and friends. It's no fun no more.”

“My three children will inherit my land, and land from my husband's trust. When they are all dead, nine of my grandchildren will inherit equal portions”

“Our plan will ultimately be based upon my in-laws inheritance of land to my wife.”

“I am going to work on the farm, until I am unable to work anymore.”

“Economic prices and continued large scale farm ground renting by corporate farms are forcing me out of farming the family farm. Small family farms are being extinguished. I have battled this 25 years but can't get financial backing anymore.”

“I think the beginning farmer program is a good option for those of us who have not heirs.”

“Inherited from my fathers death 2 years ago learned from that experience what I would like to do. I have farmed my own ground since 1996 and had been working with my dad on both farms. Now I am the sole proprietor, providing for my mom and my family.”

“Get rid of tariffs!”

“If did not have two other jobs, this would not have happened.”

“Farming is a high dollar business. It takes huge amounts of money just to make it go. If you don't have a start from family or someone generous you won't be doing”

“I hope my sons want to farm but if they don't I will not be disappointed. Farming these days is too volatile and hope they find something else they are excited about because there are many days I wonder why I do it. Thanks”

“The person who rents some of the land also has a son who works in the fertilizer/spraying business. The father is 65 years old and owns most of the machinery. I expect when he retires, his son will take over. His son helps part-time now.”