## Irrigation spells difference in 2012 ag income

Written by Gothenburg Times Thursday, 23 May 2013 16:55 -

LINCOLN—Irrigation proved to be the difference between the "haves" and "have-nots" in farm income in drought-stricken 2012 in Nebraska.

"Crop farms with access to sufficient irrigation water were able to take advantage of excellent prices along with excellent yields," said Tina Barrett, executive director for Nebraska Farm Business. "These led to record breaking net income per acre for both commercial irrigated yellow corn as well as irrigated seed corn in 2012."

However, dryland farms didn't fare as well.

For the first time in 10 years, drops in net returns per acre went into negative numbers. Dryland wheat was the exception due to its earlier harvest time, though the 2013 crop may reflect last year's drought.

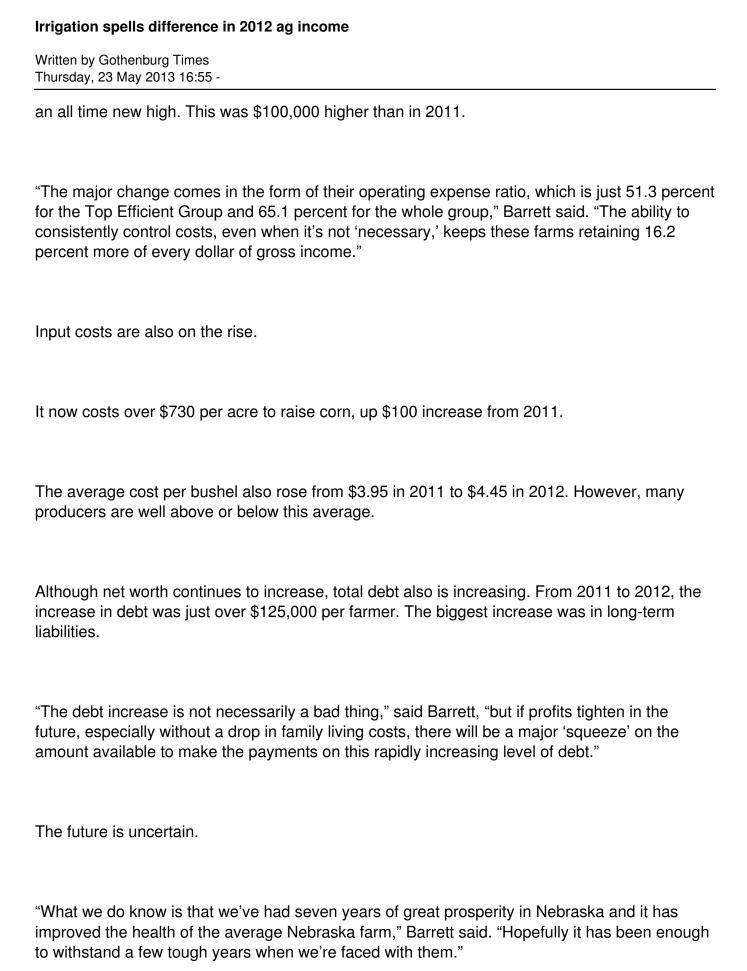
Overall, net farm income in Nebraska fell 8 percent, though it was still the second highest average on record.

For 15 percent of farms, accrual net income exceeded \$750,000. Yet for another 15 percent of farms, net farm income was negative.

"This is the first time in several years that a significant amount of farms lost money," Barrett said.

Many of the farms that lost money had a significant livestock operation or dryland crop operation. Some farmers lost money due to risky marketing strategies that caused significant hedge account losses.

For a group of farms labeled as Top Efficient Farms, the \$527,450 in average net income was



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Barrett's entire article is available at http://agecon.unl.edu/.