

Landlord Farm Land Rental Worksheet

Fill in the blanks in the following worksheet with numbers from your rental farm property. You need to use real numbers and be sure that the cost that are used reflect real cost for your situation.

1. Total property taxes paid on the farmland (minus buildings) + _____
2. PA 116 land tax refund received - _____
3. Net actual taxes paid; (line one minus line two = line three)= _____
4. Return on investment
 - a. Land current cash market value of land _____
 - b. Desired rate of return on land investment X 6 % (range of 3% to 10%)
 - c. Return on Ownership (4a times 4b = 4c) = _____
5. Total capital improvements allocated to each year + _____
6. Maintain cost; (brush control, lime application, tile repair, etc) + _____
7. Total Cost of Ownership (line 3 + 4c + 5 + 6 = line 7) = _____
8. Divide by the number of tillable acres to be rented. ÷ _____
9. Desired land rental rate per acre; = _____

Line 9 gives you a starting point to use as a basis for your desired land rental rate.

