| TERRA INDUSTRIES INC |
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| Form 8-K             |
| September 01, 2005   |

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

#### FORM 8-K

#### **CURRENT REPORT**

Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of report (Date of earliest event reported): August 31, 2005

## TERRA INDUSTRIES INC.

(Exact name of registrant as specified in its charter)

Maryland 1-8520 52-1145429

(State or other jurisdiction of incorporation) (Commission File Number) (IRS Employer Identification No.)

Terra Centre

600 Fourth Street, P.O. Box 6000

Sioux City, Iowa 51102-6000

(712) 277-1340

(Address of Principal Executive Offices, including Zip Code)

(Registrant s Telephone Number, Including Area Code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

| o | Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)                  |
|---|--|
| o | Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)                 |
| o | Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b)) |
| o | Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c)) |
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| ITEM 8.01   | OTHER EVENTS                       |  |
|---|------------------------------------|--|
| On August 31, 2005, Terra Industries Inc. ( Terra ) announced that it has ceased production at its Yazoo City, Mississippi nitrogen products manufacturing facility due to its natural gas supplier s declaration of force majeure for the September supply. A copy of the press release is filed herewith as Exhibit 99.1. |                                    |  |
| ITEM 9.01   | FINANCIAL STATEMENTS AND EXHIBITS. |  |
| (c) Exhibits  |                                    |  |
| 99.1 Press Rel  | ease issued August 31, 2005.       |  |
|   |                                    |  |
|   |                                    |  |
| SIGNATURES  |                                    |  |
| Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.   |                                    |  |
| TERRA INDUSTRIES INC.   |                                    |  |
|   |                                    |  |
| /s/ Mark A. Kalafut<br>Mark A. Kalafut  |                                    |  |
| Vice President, Gen   | neral Counsel and                  |  |
| Corporate Secretar  | y                                  |  |
| Date: September 1,  | 2005                               |  |