## 2015 Estimated Costs and Returns per Acre

### Hard Red Winter Wheat - 800 Acres

Central Texas Extension District - 8

### REVENUE

<table>
<thead>
<tr>
<th>Crop</th>
<th>Quantity</th>
<th>Units</th>
<th>$/Unit</th>
<th>Total</th>
<th>Enterprise Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wheat</td>
<td>45.00</td>
<td>Bushel</td>
<td>$5.70</td>
<td>$256.50</td>
<td>$205,200.00</td>
</tr>
</tbody>
</table>

**Total Revenue**: $256.50 $205,200.00

### VARIABLE COSTS

#### Production Costs

- **Custom**
  - Custom Combine: 1 Acre $25.00 $25.00 $20,000.00
  - Custom Hauling Wheat: 45 Bushel $0.30 $13.50 $10,800.00

- **Fertilizer**
  - N: 140 Pound $0.60 $84.00 $67,200.00

- **Insecticide**
  - Insecticide Greenbug: 1 Acre $4.50 $4.50 $3,600.00

- **Seed**
  - Wheat Seed: 90 Pound $0.35 $31.50 $25,200.00

- **Miscellaneous**
  - Insurance - Wheat 65%: 1 Acre $7.00 $7.00 $5,600.00
  - Insurance - Wheat SCO: 1 Acre $2.00 $2.00 $1,600.00

- **Machinery Labor**
  - Tractors/Self-Propelled: 0.76 Hour $10.00 $7.60 $6,080.00

- **Diesel Fuel**
  - Tractors/Self-Propelled: 5.15 Gallon $2.65 $13.65 $10,918.00

- **Repairs & Maintenance**
  - Tractors/Self-Propelled: 1 Acre $8.38 $8.38 $6,700.72
  - Implements: 1 Acre $12.54 $12.54 $10,032.86

- **Interest on Credit Line**
  - Tractors/Self-Propelled: 4.75% $4.35 $4.35 $3,483.31

**Total Variable Costs**: $214.02 $171,214.89

**Planned Returns Above Variable Costs**: $42.48 $33,985.11

**Breakeven Price to Cover Variable Costs**: $4.76 Bushel

### FIXED COSTS

- **Machinery Depreciation**
  - Tractors/Self-Propelled: 1 Acre $8.66 $8.66 $6,924.08
  - Implements: 1 Acre $14.93 $14.93 $11,942.23

- **Equipment Investment**
  - Tractors/Self-Propelled: $97.72 Dollars 6.00% $5.86 $5.86 $4,690.51
  - Implements: $116.10 Dollars 6.00% $6.97 $6.97 $5,573.04

- **Dryland Crop Rent**
  - 1 Acre $30.00 $30.00 $24,000.00

**Total Fixed Costs**: $66.41 $53,129.86

**Total Specified Costs**: $280.43 $224,344.74

**Returns Above Specified Costs**: ($23.93) ($19,144.74)

**Breakeven Price to Cover Total Costs**: $6.23 Bushel

### Example Breakeven Prices

<table>
<thead>
<tr>
<th>Example Yield Percent</th>
<th>Example Yield</th>
<th>Price Needed to Cover Example Variable Costs</th>
<th>Price Needed to Cover Example Total Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Own/Rent</td>
<td>Share Tenant</td>
</tr>
<tr>
<td>75%</td>
<td>33.75</td>
<td>$6.34</td>
<td>$6.34</td>
</tr>
<tr>
<td>90%</td>
<td>40.50</td>
<td>$5.28</td>
<td>$5.28</td>
</tr>
<tr>
<td>100%</td>
<td>45.00</td>
<td>$4.76</td>
<td>$4.76</td>
</tr>
<tr>
<td>110%</td>
<td>49.50</td>
<td>$4.32</td>
<td>$4.32</td>
</tr>
<tr>
<td>125%</td>
<td>56.25</td>
<td>$3.80</td>
<td>$3.80</td>
</tr>
</tbody>
</table>

Developed by Jason Johnson, Associate Professor and Extension Economist, Texas A&M AgriLife Extension.

*Information presented is prepared solely as a general guide and not intended to recognize or predict the costs and returns from any one operation. Brand names are mentioned only as examples and imply no endorsement.*