

Projections for Planning Purposes Only -- Not to be Used without Updating
2013 Estimated Costs and Returns per Acre
Stacked Cotton - 500 Acres
Central Texas Extension District - 8

Crop Acres		500				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	Total
Cotton Lint	500.00	Pound	\$0.83	\$415.00	\$207,500.00	
Cottonseed	0.33	Ton	\$300.00	\$99.00	\$49,500.00	
Other Revenue	0.00	Acre	\$0.00	\$0.00	\$0.00	
Total Revenue				\$514.00	\$257,000.00	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Production Costs						
Fertilizer						
Fert - (N, P, K)	1	Acre	\$50.00	\$50.00	\$25,000.00	
Custom						
Stripping	500	Pounds	\$0.10	\$50.00	\$25,000.00	
Ginning	500	Pounds	\$0.12	\$60.00	\$30,000.00	
Herbicide						
Yellow Herbicide	1	Acre	\$7.00	\$7.00	\$3,500.00	
Planting Burndown	22	Ounce	\$0.24	\$5.28	\$2,640.00	
Herbicide 1st Application	22	Ounce	\$0.24	\$5.28	\$2,640.00	
Herbicide 2nd Application	22	Ounce	\$0.24	\$5.28	\$2,640.00	
Insecticide						
Planting Insecticide	1	Acre	\$12.50	\$12.50	\$6,250.00	
Insecticide 1st Application	1	Acre	\$4.00	\$4.00	\$2,000.00	
Insecticide 2nd Application	1	Acre	\$4.00	\$4.00	\$2,000.00	
Boll Weevil Eradication						
Boll Weevil Eradication	1	Acre	\$13.25	\$13.25	\$6,625.00	
Seed						
Stacked Cotton Seed	1	Acre	\$30.00	\$30.00	\$15,000.00	
Herbicide Tech Fee	1	Acre	\$26.00	\$26.00	\$13,000.00	
bt Tech Fee	1	Acre	\$13.00	\$13.00	\$6,500.00	
Harvest Aid						
Defoliant	1	Acre	\$12.00	\$12.00	\$6,000.00	
Dessicant	1	Acre	\$7.31	\$7.31	\$3,655.00	
Crop Insurance						
Insurance -APH 65/100	1	Acre	\$10.00	\$10.00	\$5,000.00	
Diesel Fuel						
Tractors	6.20	Gallons	\$2.65	\$16.43	\$8,216.70	
Gasoline						
Self Propelled	1.50	Gallons	\$2.73	\$4.10	\$2,047.51	
Repairs & Maintenance						
Implements	1	Acre	\$5.76	\$5.76	\$2,881.26	
Tractors	1	Acre	\$4.62	\$4.62	\$2,311.96	
Self Propelled	1	Acre	\$0.01	\$0.01	\$4.48	
Operator Labor						
Tractors	0.85	Hours	\$10.00	\$8.47	\$4,234.50	
Interest on Credit Line			4.75%	\$4.92	\$2,459.21	
Total Variable Costs				\$359.21	\$179,605.62	
Planned Returns Above Variable Costs:				\$154.79	\$77,394.38	
Breakeven Price to Cover Variable Costs			\$0.52	Pound		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Machinery						
Implements	1	Acre	\$13.62	\$13.62	\$6,808.04	
Tractors	1	Acre	\$12.64	\$12.64	\$6,319.37	
Self Propelled	1	Acre	\$0.02	\$0.02	\$8.02	
Land Rent	1	Acre	\$0.00	\$0.00	\$0.00	
Total Fixed Costs				\$26.27	\$13,135.43	
Total Specified Costs				\$385.48	\$192,741.05	
Returns Above Specified Costs				\$128.52	\$64,258.95	
Breakeven Price to Cover Total Costs			\$0.57	Pound		

Breakeven Prices						
Yield Percent	Yield Pound	Variable Costs		Total Costs		
		Full	Tenant	Full	Tenant	Landlord
75%	375.00	\$0.69	\$0.69	\$0.76	\$0.76	\$0.00
90%	450.00	\$0.58	\$0.58	\$0.64	\$0.64	\$0.00
100%	500.00	\$0.52	\$0.52	\$0.57	\$0.57	\$0.00
110%	550.00	\$0.47	\$0.47	\$0.52	\$0.52	\$0.00
125%	625.00	\$0.42	\$0.42	\$0.46	\$0.46	\$0.00

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.