

Projections for Planning Purposes Only -- Not to be Used without Updating
2014 Estimated Costs and Returns per Acre
Dryland Winter Wheat - 100 Acres
Southwest Extension District - 10

Crop Acres		100				
REVENUE		Quantity	Units	\$/Unit	Total	Enterprise Total
Winter Wheat		30.00	Bushel	\$7.38	\$221.40	\$22,140.00
Total Revenue					\$221.40	\$22,140.00
VARIABLE COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs						
Seed						
	Wheat Seed Public	60	Pound	\$0.18	\$10.50	\$1,050.00
Fertilizer						
	UAN(32% N)	1.63	CWT	\$17.00	\$27.71	\$2,771.00
	Fertilizer 18-46-0	65	Pound	\$0.25	\$16.25	\$1,625.00
Herbicide						
	2, 4-D Amine 4	16	Ounce	\$0.13	\$2.08	\$208.00
Insecticide						
	Lorsban 4E	1	Pint	\$5.25	\$5.25	\$525.00
Custom						
	Haul Wheat	30	Bushel	\$0.14	\$4.20	\$420.00
Machinery Labor						
	Tractors/Self-Propelled	0.49	Hour	\$12.00	\$5.88	\$588.00
Diesel Fuel						
	Tractors/Self-Propelled	3.08	Gallon	\$2.85	\$8.78	\$877.80
Gasoline						
	Pickup/General Use Equipment	1	Acre	\$32.93	\$32.93	\$3,292.80
Repairs & Maintenance						
	Pickup/General Use Equipment	1	Acre	\$6.72	\$6.72	\$672.00
	Tractors/Self-Propelled	1	Acre	\$2.20	\$2.20	\$220.03
	Implements	1	Acre	\$1.84	\$1.84	\$183.63
	Interest on Credit Line			6.50%	\$3.64	\$364.13
Total Variable Costs					\$127.97	\$12,797.39
Planned Returns Above Variable Costs:					\$93.43	\$9,342.61
Breakeven Price to Cover Variable Costs				\$4.27	Bushel	
FIXED COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation						
	Pickup/General Use Equipment	1	Acre	\$25.20	\$25.20	\$2,520.00
	Tractors/Self-Propelled	1	Acre	\$7.19	\$7.19	\$719.38
	Implements	1	Acre	\$2.21	\$2.21	\$221.16
Equipment Investment						
	Pickup/General Use Equipment	\$168.00	Dollars	6.50%	\$10.92	\$1,092.00
	Tractors/Self-Propelled	\$84.54	Dollars	6.50%	\$5.49	\$549.49
	Implements	\$31.38	Dollars	6.50%	\$2.04	\$203.95
	Dryland Winter Garden Rent	1	Acre	\$20.00	\$20.00	\$2,000.00
Total Fixed Costs					\$73.06	\$7,305.98
Total Specified Costs					\$201.03	\$20,103.37
Returns Above Specified Costs					\$20.37	\$2,036.63
Breakeven Price to Cover Total Costs				\$6.70	Bushel	

Example Breakeven Prices						
Example Yield Percent	Example Yield Bushel	Price Needed to Cover Example Variable Costs		Price Needed to Cover Example Total Costs		
		Own/Rent	ShareTenant	Own/Rent	ShareTenant	Landlord
75%	22.50	\$5.69	\$5.69	\$8.93	\$8.93	\$0.00
90%	27.00	\$4.74	\$4.74	\$7.45	\$7.45	\$0.00
100%	30.00	\$4.27	\$4.27	\$6.70	\$6.70	\$0.00
110%	33.00	\$3.88	\$3.88	\$6.09	\$6.09	\$0.00
125%	37.50	\$3.41	\$3.41	\$5.36	\$5.36	\$0.00

Developed by Rob Hogan, 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.