

**Projections for Planning Purposes Only -- *Not to be Used without Updating***  
**2014 Estimated Costs and Returns per Acre**  
**Grain Sorghum, Conventional Tillage, Dryland, Rio Grande Valley - 100 Acres**  
**South Extension District - 12**

Crop Acres		100				
<b>REVENUE</b>		Quantity	Units	\$/Unit	Total	Enterprise Total
Grain Sorghum		22.00	CWT	\$7.50	\$165.00	\$16,500.00
Total Revenue					\$165.00	\$16,500.00
<b>VARIABLE COSTS</b>		Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs						
Seed						
	Grain Sorghum Seed	4.5	Pound	\$3.35	\$15.08	\$1,507.50
Fertilizer						
	Fertilizer 25-10-0	0.12	Ton	\$410.00	\$49.20	\$4,920.00
Herbicide						
	Permit and Application	1	Acre	\$19.79	\$19.79	\$1,979.00
Custom						
	Harvest/Haul Sorghum	22	CWT	\$0.90	\$19.80	\$1,980.00
Other Labor						
	Unallocated Labor	0.7072	Hour	\$9.00	\$6.36	\$636.48
Machinery Labor						
	Tractors/Self-Propelled	1	Hour	\$9.00	\$9.00	\$900.00
Diesel Fuel						
	Tractors/Self-Propelled	6.63	Gallon	\$3.25	\$21.55	\$2,154.75
Repairs & Maintenance						
	Tractors/Self-Propelled	1	Acre	\$5.85	\$5.85	\$585.36
	Implements	1	Acre	\$6.21	\$6.21	\$621.29
	Interest on Credit Line			9.00%	\$5.79	\$578.80
Total Variable Costs					\$158.63	\$15,863.18
Planned Returns Above Variable Costs:					\$6.37	\$636.82
Breakeven Price to Cover Variable Costs				\$7.21	CWT	
<b>FIXED COSTS</b>		Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation						
	Tractors/Self-Propelled	1	Acre	\$8.79	\$8.79	\$879.43
	Implements	1	Acre	\$9.21	\$9.21	\$921.04
Equipment Investment						
	Tractors/Self-Propelled	\$136.58	Dollars	9.00%	\$12.29	\$1,229.26
	Implements	\$100.89	Dollars	9.00%	\$9.08	\$908.04
Total Fixed Costs					\$39.38	\$3,937.77
Total Specified Costs					\$198.01	\$19,800.95
Returns Above Specified Costs					(\$33.01)	(\$3,300.95)
Breakeven Price to Cover Total Costs				\$9.00	CWT	

Example Breakeven Prices						
Example Yield Percent	Example Yield CWT	Price Needed to Cover Example Variable Costs		Price Needed to Cover Example Total Costs		
		Own/Rent	ShareTenant	Own/Rent	ShareTenant	Landlord
75%	16.50	\$9.61	\$14.35	\$12.00	\$17.91	\$0.00
90%	19.80	\$8.01	\$11.96	\$10.00	\$14.93	\$0.00
100%	22.00	\$7.21	\$10.76	\$9.00	\$13.43	\$0.00
110%	24.20	\$6.56	\$9.78	\$8.18	\$12.21	\$0.00
125%	27.50	\$5.77	\$8.61	\$7.20	\$10.75	\$0.00

Developed by Luis Ribera, 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.**