

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2014 Estimated Costs and Returns per Acre**  
**Sugar Cane, Planted, Furrow Irrigated, Rio Grande Valley - 100 Acres**  
**South Extension District - 12**

Crop Acres		100				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	
Sugar Cane	50.00	Ton	\$21.00	\$1,050.00	\$105,000.00	
<b>Total Revenue</b>				<b>\$1,050.00</b>	<b>\$105,000.00</b>	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise	
<b>Production Costs</b>						
Seed						
Seed Cane	4.5	Ton	\$36.00	\$162.00	\$16,200.00	
Fertilizer						
Fertilizer 10-34-0	2	CWT	\$35.00	\$70.00	\$7,000.00	
UAN (32% N)	3	CWT	\$25.27	\$75.81	\$7,581.00	
Herbicide						
Atrazine 4L	6	Pint	\$1.72	\$10.32	\$1,032.00	
Prowl 3.3 EC	5	Pint	\$5.51	\$27.55	\$2,755.00	
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Custom						
Seed Cane Cutting	4.5	Ton	\$9.00	\$40.50	\$4,050.00	
Seed Cane Transport/Distribution	1	Acre	\$180.00	\$180.00	\$18,000.00	
Seed Cane Covering	1	Acre	\$9.20	\$9.20	\$920.00	
Irrigation						
Energy or Water Cost	5.00	Acre/Foot	\$20.00	\$100.00	\$10,000.00	
Irrigation Labor	7.00	Hour	\$9.00	\$63.00	\$6,300.00	
Other Labor						
Unallocated Labor	0.7072	Hour	\$9.00	\$6.36	\$636.48	
Machinery Labor						
Tractors/Self-Propelled	1.32	Hour	\$9.00	\$11.88	\$1,188.00	
Diesel Fuel						
Tractors/Self-Propelled	6.49	Gallon	\$3.25	\$21.09	\$2,109.25	
Repairs & Maintenance						
Tractors/Self-Propelled	1	Acre	\$5.76	\$5.76	\$575.64	
Implements	1	Acre	\$4.28	\$4.28	\$428.44	
Interest on Credit Line			9.00%	\$78.92	\$7,892.24	
<b>Total Variable Costs</b>				<b>\$904.55</b>	<b>\$90,455.05</b>	
Planned Returns Above Variable Costs:				\$145.45	\$14,544.95	
Breakeven Price to Cover Variable Costs			\$18.09	Ton		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise	
Machinery Depreciation						
Tractors/Self-Propelled	1	Acre	\$8.66	\$8.66	\$865.85	
Implements	1	Acre	\$6.01	\$6.01	\$600.97	
Equipment Investment						
Tractors/Self-Propelled	\$134.32	Dollars	9.00%	\$12.09	\$1,208.84	
Implements	\$57.87	Dollars	9.00%	\$5.21	\$520.85	
Allocated Establishment Cost	1	Acre	\$2.11	\$2.11	\$211.00	
Cash Rent, Sugar Cane	1	Acre	\$110.00	\$110.00	\$11,000.00	
<b>Total Fixed Costs</b>				<b>\$144.08</b>	<b>\$14,407.51</b>	
<b>Total Specified Costs</b>				<b>\$1,048.63</b>	<b>\$104,862.56</b>	
Returns Above Specified Costs				\$1.37	\$137.44	
<b>Breakeven Price to Cover Total Costs</b>			\$20.97	Ton		

Example Breakeven Prices						
Example Yield Percent	Example Yield Ton	Price Needed to Cover Example Variable Costs		Price Needed to Cover Example Total Costs		
		Own/Rent	ShareTenant	Own/Rent	ShareTenant	Landlord
75%	37.50	\$24.12	\$24.12	\$27.96	\$27.96	\$0.00
90%	45.00	\$20.10	\$20.10	\$23.30	\$23.30	\$0.00
100%	50.00	\$18.09	\$18.09	\$20.97	\$20.97	\$0.00
110%	55.00	\$16.45	\$16.45	\$19.07	\$19.07	\$0.00
125%	62.50	\$14.47	\$14.47	\$16.78	\$16.78	\$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.**