

Projections for Planning Purposes Only -- Not to be Used without Updating
2014 Estimated Costs and Returns per Acre
Hard Red Winter Wheat - 800 Acres
Central Texas Extension District - 8

Crop Acres		800				Enterprise
		Quantity	Units	\$/Unit	Total	Total
REVENUE						
Wheat		45.00	Bushel	\$6.58	\$296.10	\$236,880.00
Total Revenue					\$296.10	\$236,880.00
VARIABLE COSTS						
		Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs						
Seed						
Wheat Seed		90	Pound	\$0.30	\$27.00	\$21,600.00
Fertilizer						
82-0-0		100	Pound	\$0.48	\$48.00	\$38,400.00
34-0-0		150	Pound	\$0.48	\$72.00	\$57,600.00
Insecticide						
Insecticide Greenbug		1	Acre	\$4.50	\$4.50	\$3,600.00
Fungicides						
Fungicide		4	Ounce	\$3.90	\$15.60	\$12,480.00
Miscellaneous						
Insurance - Wheat 35		1	Acre	\$8.00	\$8.00	\$6,400.00
Custom						
Fungicide Spray		1	Acre	\$4.50	\$4.50	\$3,600.00
Custom Combine		1	Acre	\$19.00	\$19.00	\$15,200.00
Custom Hauling Wheat		45	Bushel	\$0.20	\$9.00	\$7,200.00
Machinery Labor						
Tractors/Self-Propelled		0.72	Hour	\$10.00	\$7.20	\$5,760.00
Diesel Fuel						
Tractors/Self-Propelled		4.61	Gallon	\$2.65	\$12.22	\$9,773.20
Repairs & Maintenance						
Tractors/Self-Propelled		1	Acre	\$3.00	\$3.00	\$2,400.58
Implements		1	Acre	\$3.78	\$3.78	\$3,024.32
Interest on Credit Line				4.75%	\$4.86	\$3,885.54
Total Variable Costs					\$238.65	\$190,923.64
Planned Returns Above Variable Costs:					\$57.45	\$45,956.36
Breakeven Price to Cover Variable Costs					\$5.30	Bushel
FIXED COSTS						
		Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation						
Tractors/Self-Propelled		1	Acre	\$4.00	\$4.00	\$3,200.78
Implements		1	Acre	\$5.88	\$5.88	\$4,707.95
Equipment Investment						
Tractors/Self-Propelled		\$70.02	Dollars	6.00%	\$4.20	\$3,360.82
Implements		\$55.04	Dollars	6.00%	\$3.30	\$2,641.97
Dryland Crop Rent		1	Acre	\$30.00	\$30.00	\$24,000.00
Total Fixed Costs					\$47.39	\$37,911.52
Total Specified Costs					\$286.04	\$228,835.16
Returns Above Specified Costs					\$10.06	\$8,044.84
Breakeven Price to Cover Total Costs					\$6.36	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	Share/Tenant	Own/Rent	Share/Tenant	Landlord
75%	33.75	\$7.07	\$7.07	\$8.48	\$8.48	\$0.00
90%	40.50	\$5.89	\$5.89	\$7.06	\$7.06	\$0.00
100%	45.00	\$5.30	\$5.30	\$6.36	\$6.36	\$0.00
110%	49.50	\$4.82	\$4.82	\$5.78	\$5.78	\$0.00
125%	56.25	\$4.24	\$4.24	\$5.09	\$5.09	\$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. Brand names are mentioned only as examples and imply no endorsement.