

Projections for Planning Purposes Only -- Not to be Used without Updating
2015 Estimated Costs and Returns per Acre
Herbicide Resistant Corn - 500 Acres
Central Texas Extension District - 8

Crop Acres		500			Enterprise	
REVENUE	Quantity	Units	\$/Unit	Total	Total	
Corn	90.00	Bushel	\$4.20	\$378.00	\$189,000.00	
Total Revenue				\$378.00	\$189,000.00	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise	
Production Costs						
Custom						
Liquid Fertilizer Rig	1	Acre	\$4.00	\$4.00	\$2,000.00	
Custom Grain Haul	90	Bushel	\$0.17	\$15.30	\$7,650.00	
Fertilizer						
Fertilizer - N, P, Zinc, S	1	Acre	\$120.00	\$120.00	\$60,000.00	
Herbicide						
Herbicide, Atrazine	2	Pound	\$2.88	\$5.76	\$2,880.00	
Corn Herbicide	22	Ounce	\$0.24	\$5.28	\$2,640.00	
Weed Burndown	22	Ounce	\$0.24	\$5.28	\$2,640.00	
Insecticide						
Corn Insecticide	1	Acre	\$14.41	\$14.41	\$7,205.00	
Seed						
Herbicide Resistant Corn Seed	1	Acre	\$75.00	\$75.00	\$37,500.00	
Miscellaneous						
Insurance - Corn 70%	1	Acre	\$15.00	\$15.00	\$7,500.00	
Insurance - Corn SCO	1	Acre	\$4.00	\$4.00	\$2,000.00	
Machinery Labor						
Tractors/Self-Propelled	0.94	Hour	\$10.00	\$9.40	\$4,700.00	
Diesel Fuel						
Tractors/Self-Propelled	9.14	Gallon	\$2.65	\$24.22	\$12,110.50	
Gasoline						
Pickup/General Use Equipment	1	Acre	\$4.10	\$4.10	\$2,047.50	
Repairs & Maintenance						
Pickup/General Use Equipment	1	Acre	\$0.67	\$0.67	\$336.00	
Tractors/Self-Propelled	1	Acre	\$29.11	\$29.11	\$14,554.08	
Implements	1	Acre	\$17.22	\$17.22	\$8,609.56	
Interest on Credit Line			4.75%	\$7.39	\$3,692.83	
Total Variable Costs				\$356.13	\$178,065.46	
Planned Returns Above Variable Costs:				\$21.87	\$10,934.54	
Breakeven Price to Cover Variable Costs			\$3.96	Bushel		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise	
Machinery Depreciation						
Pickup/General Use Equipment	1	Acre	\$0.70	\$0.70	\$348.60	
Tractors/Self-Propelled	1	Acre	\$27.79	\$27.79	\$13,895.77	
Implements	1	Acre	\$21.26	\$21.26	\$10,630.68	
Equipment Investment						
Pickup/General Use Equipment	\$8.40	Dollars	6.00%	\$0.50	\$252.00	
Tractors/Self-Propelled	\$315.52	Dollars	6.00%	\$18.93	\$9,465.68	
Implements	\$185.44	Dollars	6.00%	\$11.13	\$5,563.26	
Corn Land Rent	1	Acre	\$50.00	\$50.00	\$25,000.00	
Total Fixed Costs				\$130.31	\$65,155.98	
Total Specified Costs				\$486.44	\$243,221.44	
Returns Above Specified Costs					(\$108.44)	(\$54,221.44)
Breakeven Price to Cover Total Costs			\$5.40	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%	67.50	\$5.28	\$5.28	\$7.21	\$7.21	\$0.00
90%	81.00	\$4.40	\$4.40	\$6.01	\$6.01	\$0.00
100%	90.00	\$3.96	\$3.96	\$5.40	\$5.40	\$0.00
110%	99.00	\$3.60	\$3.60	\$4.91	\$4.91	\$0.00
125%	112.50	\$3.17	\$3.17	\$4.32	\$4.32	\$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.