

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2016 Estimated Costs and Returns per Acre**  
**Cotton - GMO Seed, Conv. Till-12 Row, Dryland, 1000 lb. Yield Goal - 500 Acres**  
**Coastal Bend Extension District - 11**

Crop Acres		500				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	Total
Cotton Lint	1,000.00	Pound	\$0.62	\$620.00	\$310,000.00	\$310,000.00
Cottonseed	0.69	Ton	\$200.00	\$138.00	\$69,000.00	\$69,000.00
<b>Total Revenue</b>				<b>\$758.00</b>	<b>\$379,000.00</b>	<b>\$379,000.00</b>
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise Total
<b>Production Costs</b>						
Herbicide						
Glyphosate (Generic)	4	Quart	\$4.00	\$16.00	\$8,000.00	\$8,000.00
Cotton PreEmerge Herbicide	1.5	Quart	\$11.00	\$16.50	\$8,250.00	\$8,250.00
2, 4D Amine	2	Pint	\$1.52	\$3.04	\$1,520.00	\$1,520.00
Seed						
Cotton Seed - B2RF	54	Thousand	\$0.78	\$42.12	\$21,060.00	\$21,060.00
Tech Fee - B2RF	1	Acre	\$42.00	\$42.00	\$21,000.00	\$21,000.00
Fertilizer						
24-6-2	0.208	Ton	\$325.00	\$67.60	\$33,800.00	\$33,800.00
Custom						
Cotton Scout	1	Acre	\$7.00	\$7.00	\$3,500.00	\$3,500.00
Pick and Module	1000	Pound	\$0.14	\$140.00	\$70,000.00	\$70,000.00
Ginning - Picker	1000	Pound	\$0.13	\$125.00	\$62,500.00	\$62,500.00
Miscellaneous						
Crop Insurance -Cotton UC	1	Acre	\$20.75	\$20.75	\$10,375.00	\$10,375.00
Pickup Milage Charge	1	Acre	\$3.88	\$3.88	\$1,940.00	\$1,940.00
Insecticide						
Boll Weevil Program UC	1	Acre	\$3.50	\$3.50	\$1,750.00	\$1,750.00
Cutworm Control	1	Ounce	\$0.70	\$0.70	\$350.00	\$350.00
Fleahopper Control UC	1.6	Ounce	\$1.20	\$1.92	\$960.00	\$960.00
Stinkbug Control	8	Ounce	\$0.29	\$2.32	\$1,160.00	\$1,160.00
Other Chemicals						
Surfactant	0.2	Pint	\$1.61	\$0.32	\$161.00	\$161.00
Silicone Surfactant UC	0.025	Gallon	\$46.00	\$1.15	\$575.00	\$575.00
Generic PIX	32	Ounce	\$0.09	\$2.88	\$1,440.00	\$1,440.00
Defolliants - Picker	6.4	Ounce	\$0.82	\$5.25	\$2,624.00	\$2,624.00
Other Labor						
Hand Labor	0.46	Hour	\$16.00	\$7.36	\$3,680.00	\$3,680.00
Machinery Labor						
Tractors/Self-Propelled	0.73	Hour	\$19.50	\$14.24	\$7,117.50	\$7,117.50
Diesel Fuel						
Tractors/Self-Propelled	7.89	Gallon	\$2.10	\$16.57	\$8,284.50	\$8,284.50
Repairs & Maintenance						
Tractors/Self-Propelled	1	Acre	\$17.75	\$17.75	\$8,875.02	\$8,875.02
Implements	1	Acre	\$14.25	\$14.25	\$7,127.42	\$7,127.42
Interest on Credit Line			4.25%	\$10.22	\$5,109.73	\$5,109.73
<b>Total Variable Costs</b>				<b>\$582.32</b>	<b>\$291,159.17</b>	<b>\$291,159.17</b>
Planned Returns Above Variable Costs:				\$175.68	\$87,840.83	\$87,840.83
Breakeven Price to Cover Variable Costs			\$0.44	Pound		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise Total
Machinery Depreciation						
Tractors/Self-Propelled	1	Acre	\$23.32	\$23.32	\$11,661.01	\$11,661.01
Implements	1	Acre	\$17.81	\$17.81	\$8,903.30	\$8,903.30
Equipment Investment						
Tractors/Self-Propelled	\$177.08	Dollars	7.00%	\$12.40	\$6,197.91	\$6,197.91
Implements	\$86.57	Dollars	7.00%	\$6.06	\$3,029.93	\$3,029.93
Management Fee, Owner/Operator Labor	1	Acre	\$37.90	\$37.90	\$18,950.00	\$18,950.00
UCB - Land Charge	1	Acre	\$85.00	\$85.00	\$42,500.00	\$42,500.00
<b>Total Fixed Costs</b>				<b>\$182.48</b>	<b>\$91,242.15</b>	<b>\$91,242.15</b>
<b>Total Specified Costs</b>				<b>\$764.80</b>	<b>\$382,401.32</b>	<b>\$382,401.32</b>
Returns Above Specified Costs				(\$6.80)	(\$3,401.32)	(\$3,401.32)
<b>Breakeven Price to Cover Total Costs</b>			<b>\$0.63</b>	<b>Pound</b>		

Example Breakeven Prices			
Example Yield Percent	Example Yield Pound	Price Needed to Cover Your Variable Costs	Price Needed to Cover Your Total Costs
75%	750.00	\$0.59	\$0.84
90%	900.00	\$0.49	\$0.70
100%	1000.00	\$0.44	\$0.63
110%	1100.00	\$0.40	\$0.57
125%	1250.00	\$0.36	\$0.50

Developed by Levi Russell, Assistant Professor and Extension Economist, Texas A&M AgriLife Extension Service.

**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.**