

Projections for Planning Purposes Only -- Not to be Used without Updating
2016 Estimated Costs and Returns per Acre
Continuous Wheat, Dryland, Grazed - 160 Acres
Panhandle Extension District - 1

Crop Acres		160			Enterprise	
REVENUE	Quantity	Units	\$/Unit	Total	Total	
Wheat	20.00	Bushel	\$4.50	\$90.00	\$14,400.00	
Grazing - Wheat	73.00	Pound	\$0.45	\$32.85	\$5,256.00	
Total Revenue				\$122.85	\$19,656.00	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise	
Production Costs						
Seed						
Seed - Wheat	1	Bushel	\$24.61	\$24.61	\$3,938.36	
Fertilizer						
Fertilizer (N) - ANH3	30	Pound	\$0.36	\$10.80	\$1,728.00	
Custom						
Fertilizer Application - ANH3	1	Acre	\$12.07	\$12.07	\$1,931.70	
Custom Harvest - Wheat	1	Acre	\$23.32	\$23.32	\$3,731.88	
Custom Haul - Wheat	20	Bushel	\$0.23	\$4.52	\$723.36	
Miscellaneous						
Crop Insurance Wheat Dryland	1	Acre	\$17.00	\$17.00	\$2,720.00	
Machinery Labor						
Tractors/Self-Propelled	0.86	Hour	\$11.97	\$10.29	\$1,646.71	
Diesel Fuel						
Tractors/Self-Propelled	2.24	Gallon	\$1.97	\$4.41	\$706.05	
Gasoline						
Pickup/General Use Equipment	1	Acre	\$4.18	\$4.18	\$669.50	
Repairs & Maintenance						
Pickup/General Use Equipment	1	Acre	\$2.49	\$2.49	\$397.80	
Tractors/Self-Propelled	1	Acre	\$3.62	\$3.62	\$579.46	
Implements	1	Acre	\$7.37	\$7.37	\$1,178.45	
Interest on Credit Line			5.15%	\$3.28	\$524.89	
Total Variable Costs				\$127.98	\$20,476.15	
Planned Returns Above Variable Costs:					(\$5.13)	
Breakeven Price to Cover Variable Costs			\$4.76	Bushel	(\$820.15)	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise	
Machinery Depreciation						
Pickup/General Use Equipment	1	Acre	\$2.61	\$2.61	\$417.69	
Tractors/Self-Propelled	1	Acre	\$3.60	\$3.60	\$575.96	
Implements	1	Acre	\$9.37	\$9.37	\$1,498.63	
Equipment Investment						
Pickup/General Use Equipment	\$18.03	Dollars	5.40%	\$0.97	\$155.74	
Tractors/Self-Propelled	\$28.04	Dollars	5.40%	\$1.51	\$242.29	
Implements	\$40.07	Dollars	5.40%	\$2.16	\$346.18	
Cash Rent - Wheat Dryland	1	Acre	\$27.50	\$27.50	\$4,400.00	
Total Fixed Costs				\$47.73	\$7,636.50	
Total Specified Costs				\$175.70	\$28,112.65	
Returns Above Specified Costs					(\$52.85)	
Breakeven Price to Cover Total Costs			\$7.14	Bushel	(\$8,456.65)	

Example Breakeven Prices			
Example Yield Percent	Example Yield Bushel	Price Needed to Cover Your Variable Costs	Price Needed to Cover Your Total Costs
75%	15.00	\$6.34	\$9.52
90%	18.00	\$5.28	\$7.94
100%	20.00	\$4.76	\$7.14
110%	22.00	\$4.32	\$6.49
125%	25.00	\$3.81	\$5.71

Developed by Steve Amosson, Regents Fellow, 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.