

Projections for Planning Purposes Only -- Not to be Used without Updating
2016 Estimated Costs and Returns per Acre
Irrigated Canola - 122 Acres
Southwest Extension District - 10

Crop Acres		122				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	
Canola	55.00	Bushel	\$7.48	\$411.40	\$50,190.80	
Total Revenue				\$411.40	\$50,190.80	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total	
Production Costs						
Seed						
Canola RR Seed	4	Pound	\$6.80	\$27.20	\$3,318.40	
Fertilizer						
UAN(32% N)	3.72	CWT	\$16.00	\$59.52	\$7,261.44	
Fertilizer 18-46-0	108	Pound	\$0.27	\$29.16	\$3,557.52	
Custom						
Haul Canola	55	Bushel	\$0.14	\$7.70	\$939.40	
Herbicide						
Glyphosate	2.75	Pint	\$2.00	\$5.50	\$671.00	
2, 4-D Amine 4	16	Ounce	\$0.12	\$1.92	\$234.24	
Insecticide						
Lorsban 4E	2	Pint	\$5.03	\$10.06	\$1,227.32	
Miscellaneous						
Crop Insurance - Canola Irrigated	1	Acre	\$18.00	\$18.00	\$2,196.00	
Miscellaneous Canola Overhead	1	Acre	\$4.00	\$4.00	\$488.00	
Other Labor						
Hand Labor	0.1167	Hour	\$8.50	\$0.99	\$121.02	
Irrigation						
Energy Cost	390.00	kWh	\$0.17	\$66.30	\$8,088.60	
Irrigation Labor	0.02	Hour	\$11.00	\$0.26	\$32.21	
Machinery Labor						
Tractors/Self-Propelled	1.14	Hour	\$12.00	\$13.68	\$1,668.96	
Diesel Fuel						
Tractors/Self-Propelled	8.04	Gallon	\$2.10	\$16.88	\$2,059.85	
Gasoline						
Pickup/General Use Equipment	1	Acre	\$19.35	\$19.35	\$2,361.29	
Repairs & Maintenance						
Pickup/General Use Equipment	1	Acre	\$4.84	\$4.84	\$590.37	
Irrigation Equipment	1	Acre	\$4.06	\$4.06	\$494.83	
Tractors/Self-Propelled	1	Acre	\$22.66	\$22.66	\$2,765.01	
Implements	1	Acre	\$13.86	\$13.86	\$1,691.13	
Interest on Credit Line			6.50%	\$6.82	\$832.27	
Total Variable Costs				\$332.78	\$40,598.85	
Planned Returns Above Variable Costs:				\$78.62	\$9,591.95	
Breakeven Price to Cover Variable Costs			\$6.05	Bushel		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total	
Machinery Depreciation						
Pickup/General Use Equipment	1	Acre	\$25.20	\$25.20	\$3,074.85	
Irrigation Equipment	1	Acre	\$34.75	\$34.75	\$4,239.44	
Tractors/Self-Propelled	1	Acre	\$24.18	\$24.18	\$2,949.84	
Implements	1	Acre	\$17.33	\$17.33	\$2,113.76	
Equipment Investment						
Pickup/General Use Equipment	\$105.02	Dollars	6.50%	\$6.83	\$832.77	
Irrigation Equipment	\$260.62	Dollars	6.50%	\$16.94	\$2,066.73	
Tractors/Self-Propelled	\$185.67	Dollars	6.50%	\$12.07	\$1,472.33	
Implements	\$81.35	Dollars	6.50%	\$5.29	\$645.10	
Irrigated Winter Garden Rent	1	Acre	\$50.00	\$50.00	\$6,100.00	
Total Fixed Costs				\$192.58	\$23,494.81	
Total Specified Costs				\$525.36	\$64,093.66	
Returns Above Specified Costs				(\$113.96)	(\$13,902.86)	
Breakeven Price to Cover Total Costs			\$9.55	Bushel		

Example Breakeven Prices			
Example Yield Percent	Example Yield Bushel	Price Needed to Cover Your Variable Costs	Price Needed to Cover Your Total Costs
75%	41.25	\$8.07	\$12.74
90%	49.50	\$6.72	\$10.61
100%	55.00	\$6.05	\$9.55
110%	60.50	\$5.50	\$8.68
125%	68.75	\$4.84	\$7.64

Developed by Rob Hogan, 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.