

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

Crop Acres		122				
REVENUE		Quantity	Units	\$/Unit	Total	Enterprise Total
Peanuts		40.00	CWT	\$21.22	\$848.80	\$103,553.60
Total Revenue					\$848.80	\$103,553.60
VARIABLE COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs						
Custom						
Haul Peanuts		2	Ton	\$10.50	\$21.00	\$2,562.00
Dry Peanuts		2	Ton	\$24.00	\$48.00	\$5,856.00
Herbicide						
Trifluralin		2	Pint	\$3.03	\$6.06	\$739.32
Glyphosate		1	Pint	\$2.00	\$2.00	\$244.00
Miscellaneous						
Miscellaneous Peanut Overhead		1	Acre	\$4.00	\$4.00	\$488.00
Crop Insurance - Peanuts irrigated		1	Acre	\$19.00	\$19.00	\$2,318.00
Seed						
Peanut Seed		85	Pound	\$0.65	\$55.25	\$6,740.50
Irrigation						
Energy Cost		747.01	kWh	\$0.17	\$126.99	\$15,492.99
Machinery Labor						
Tractors/Self-Propelled		2.73	Hour	\$12.00	\$32.76	\$3,996.72
Diesel Fuel						
Tractors/Self-Propelled		23.85	Gallon	\$2.10	\$50.09	\$6,110.37
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	\$7.77	\$7.77	\$947.81
Tractors/Self-Propelled		1	Acre	\$50.47	\$50.47	\$6,157.91
Implements		1	Acre	\$27.23	\$27.23	\$3,322.25
Interest on Credit Line				6.50%	\$7.24	\$883.63
Total Variable Costs					\$482.06	\$58,811.15
Planned Returns Above Variable Costs:					\$366.74	\$44,742.45
Breakeven Price to Cover Variable Costs				\$12.05	CWT	
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	\$66.12	\$66.12	\$8,066.67
Tractors/Self-Propelled		1	Acre	\$53.75	\$53.75	\$6,558.05
Implements		1	Acre	\$35.70	\$35.70	\$4,355.84
Equipment Investment						
Pickup/General Use Equipment		\$105.02	Dollars	6.50%	\$6.83	\$832.77
Irrigation Equipment		\$495.90	Dollars	6.50%	\$32.23	\$3,932.50
Tractors/Self-Propelled		\$419.88	Dollars	6.50%	\$27.29	\$3,329.61
Implements		\$393.22	Dollars	6.50%	\$25.56	\$3,118.25
Irrigated Winter Garden Rent		1	Acre	\$50.00	\$50.00	\$6,100.00
Total Fixed Costs					\$322.69	\$39,368.54
Total Specified Costs					\$804.75	\$98,179.69
Returns Above Specified Costs					\$44.05	\$5,373.91
Breakeven Price to Cover Total Costs				\$20.12	CWT	

Example Breakeven Prices			
Example Yield Percent	Example Yield CWT	Price Needed to Cover Your Variable Costs	Price Needed to Cover Your Total Costs
75%	30.00	\$16.07	\$26.83
90%	36.00	\$13.39	\$22.35
100%	40.00	\$12.05	\$20.12
110%	44.00	\$10.96	\$18.29
125%	50.00	\$9.64	\$16.10

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.