

Projections for Planning Purposes Only -- Not to be Used without Updating
2016 Estimated Costs and Returns per Acre
Dryland Winter Wheat - 100 Acres
Southwest Extension District - 10

Crop Acres		100			
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Winter Wheat	30.00	Bushel	\$5.73	\$171.90	\$17,190.00
Total Revenue				\$171.90	\$17,190.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Herbicide					
2, 4-D Amine 4	16	Ounce	\$0.12	\$1.92	\$192.00
Seed					
Wheat Seed Public	60	Pound	\$0.18	\$10.50	\$1,050.00
Fertilizer					
UAN(32% N)	1.22	CWT	\$16.00	\$19.52	\$1,952.00
Fertilizer 18-46-0	33	Pound	\$0.27	\$8.91	\$891.00
Custom					
Haul Wheat	30	Bushel	\$0.14	\$4.20	\$420.00
Miscellaneous					
Crop Insurance - Wheat Dry	1	Acre	\$10.00	\$10.00	\$1,000.00
Insecticide					
Lorsban 4E	1	Pint	\$5.03	\$5.03	\$503.00
Machinery Labor					
Tractors/Self-Propelled	0.83	Hour	\$12.00	\$9.96	\$996.00
Diesel Fuel					
Tractors/Self-Propelled	5.2	Gallon	\$2.10	\$10.92	\$1,092.00
Gasoline					
Pickup/General Use Equipment	1	Acre	\$19.35	\$19.35	\$1,935.20
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$4.84	\$4.84	\$483.84
Tractors/Self-Propelled	1	Acre	\$18.35	\$18.35	\$1,835.00
Implements	1	Acre	\$9.79	\$9.79	\$979.19
Interest on Credit Line			6.50%	\$3.67	\$366.65
Total Variable Costs				\$136.96	\$13,695.88
Planned Returns Above Variable Costs:				\$34.94	\$3,494.12
Breakeven Price to Cover Variable Costs			\$4.57	Bushel	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$25.20	\$25.20	\$2,520.00
Tractors/Self-Propelled	1	Acre	\$18.12	\$18.12	\$1,812.39
Implements	1	Acre	\$11.71	\$11.71	\$1,170.67
Equipment Investment					
Pickup/General Use Equipment	\$105.00	Dollars	6.50%	\$6.83	\$682.50
Tractors/Self-Propelled	\$137.38	Dollars	6.50%	\$8.93	\$892.99
Implements	\$57.31	Dollars	6.50%	\$3.73	\$372.53
Dryland Winter Garden Rent	1	Acre	\$20.00	\$20.00	\$2,000.00
Total Fixed Costs				\$94.51	\$9,451.07
Total Specified Costs				\$231.47	\$23,146.95
Returns Above Specified Costs				(\$59.57)	(\$5,956.95)
Breakeven Price to Cover Total Costs			\$7.72	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%	22.50	\$6.09	\$10.29
90%	27.00	\$5.07	\$8.57
100%	30.00	\$4.57	\$7.72
110%	33.00	\$4.15	\$7.01
125%	37.50	\$3.65	\$6.17

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.