

Projections for Planning Purposes Only -- Not to be Used without Updating
2016 Estimated Costs and Returns per Acre
Soft Wheat - 1160 Acres
North Texas Extension District - 4

Crop Acres		1160				
REVENUE		Quantity	Units	\$/Unit	Total	Enterprise Total
Wheat		45.00	Bushel	\$6.48	\$291.60	\$338,256.00
Total Revenue					\$291.60	\$338,256.00
VARIABLE COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs						
Custom						
Custom Harvest Wheat		1	Acre	\$18.00	\$18.00	\$20,880.00
Custom Haul Wheat		45	Bushels	\$0.32	\$14.40	\$16,704.00
Fertilizer						
82-0-0		100	Pounds	\$0.44	\$44.00	\$51,040.00
18-46-0		100	Pounds	\$0.36	\$36.00	\$41,760.00
Herbicide						
Pre-Emerge Wheat		1	Acre	\$5.00	\$5.00	\$5,800.00
Insecticide						
Insecticide-Greenbug		1	Acre	\$12.00	\$12.00	\$13,920.00
Miscellaneous						
Insurance-Wheat		1	Acre	\$4.50	\$4.50	\$5,220.00
Seed						
Wheat Seed		60	Pounds	\$0.30	\$18.00	\$20,880.00
Machinery Labor						
Tractors/Self-Propelled		0.67	Hour	\$10.00	\$6.70	\$7,772.00
Diesel Fuel						
Tractors/Self-Propelled		3.65	Gallon	\$3.50	\$12.78	\$14,819.00
Repairs & Maintenance						
Tractors/Self-Propelled		1	Acre	\$5.40	\$5.40	\$6,269.39
Implements		1	Acre	\$13.12	\$13.12	\$15,222.41
Interest on Credit Line				4.75%	\$3.51	\$4,071.63
Total Variable Costs					\$193.41	\$224,358.43
Planned Returns Above Variable Costs:					\$98.19	\$113,897.57
Breakeven Price to Cover Variable Costs				\$4.30	Bushel	
FIXED COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation						
Tractors/Self-Propelled		1	Acre	\$5.30	\$5.30	\$6,152.38
Implements		1	Acre	\$16.34	\$16.34	\$18,956.60
Equipment Investment						
Tractors/Self-Propelled		\$41.32	Dollars	6.00%	\$2.48	\$2,875.74
Implements		\$69.91	Dollars	6.00%	\$4.19	\$4,865.53
Rent-Dryland Crop		1	Acre	\$25.00	\$25.00	\$29,000.00
Total Fixed Costs					\$53.32	\$61,850.25
Total Specified Costs					\$246.73	\$286,208.68
Returns Above Specified Costs					\$44.87	\$52,047.32
Breakeven Price to Cover Total Costs				\$5.48	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%	33.75	\$5.73	\$7.31
90%	40.50	\$4.78	\$6.09
100%	45.00	\$4.30	\$5.48
110%	49.50	\$3.91	\$4.98
125%	56.25	\$3.44	\$4.39

Developed by Blake Bennet, Associate 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.