

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2016 Estimated Costs and Returns per Acre
Herbicide Resistant Corn - 500 Acres
Central Texas Extension District - 8

Crop Acres		500			
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Corn	90.00	Bushel	\$3.90	\$351.00	\$175,500.00
Total Revenue				\$351.00	\$175,500.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Custom					
Liquid Fertilizer Rig	1	Acre	\$4.00	\$4.00	\$2,000.00
Custom Grain Haul	90	Bushel	\$0.17	\$15.30	\$7,650.00
Fertilizer					
Fertilizer - N, P, Zinc, S	1	Acre	\$120.00	\$120.00	\$60,000.00
Herbicide					
Herbicide, Atrazine	2	Pound	\$2.88	\$5.76	\$2,880.00
Corn Herbicide	22	Ounce	\$0.24	\$5.28	\$2,640.00
Weed Burndown	22	Ounce	\$0.24	\$5.28	\$2,640.00
Seed					
Herbicide Resistant Corn Seed	1	Acre	\$75.00	\$75.00	\$37,500.00
Miscellaneous					
Insurance - Corn 70%	1	Acre	\$15.00	\$15.00	\$7,500.00
Insurance - Corn SCO	1	Acre	\$4.00	\$4.00	\$2,000.00
Insecticide					
Corn Insecticide	1	Acre	\$14.41	\$14.41	\$7,205.00
Machinery Labor					
Tractors/Self-Propelled	0.94	Hour	\$10.00	\$9.40	\$4,700.00
Diesel Fuel					
Tractors/Self-Propelled	9.14	Gallon	\$2.65	\$24.22	\$12,110.50
Gasoline					
Pickup/General Use Equipment	1	Acre	\$4.10	\$4.10	\$2,047.50
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$0.67	\$0.67	\$336.00
Tractors/Self-Propelled	1	Acre	\$29.11	\$29.11	\$14,554.08
Implements	1	Acre	\$17.22	\$17.22	\$8,609.56
Interest on Credit Line			4.75%	\$7.39	\$3,692.83
Total Variable Costs				\$356.13	\$178,065.46
Planned Returns Above Variable Costs:				(\$5.13)	(\$2,565.46)
Breakeven Price to Cover Variable Costs			\$3.96	Bushel	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$0.70	\$0.70	\$348.60
Tractors/Self-Propelled	1	Acre	\$27.79	\$27.79	\$13,895.77
Implements	1	Acre	\$21.26	\$21.26	\$10,630.68
Equipment Investment					
Pickup/General Use Equipment	\$4.91	Dollars	6.00%	\$0.29	\$147.42
Tractors/Self-Propelled	\$211.93	Dollars	6.00%	\$12.72	\$6,357.99
Implements	\$105.22	Dollars	6.00%	\$6.31	\$3,156.62
Corn Land Rent	1	Acre	\$50.00	\$50.00	\$25,000.00
Total Fixed Costs				\$119.07	\$59,537.08
Total Specified Costs				\$475.21	\$237,602.54
Returns Above Specified Costs				(\$124.21)	(\$62,102.54)
Breakeven Price to Cover Total Costs			\$5.28	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%	67.50	\$5.28	\$7.04
90%	81.00	\$4.40	\$5.87
100%	90.00	\$3.96	\$5.28
110%	99.00	\$3.60	\$4.80
125%	112.50	\$3.17	\$4.22

Developed by Jason Johnson, 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.