

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2016 Estimated Costs and Returns per Acre**  
**Herbicide Resistant Corn - Reduced Tillage - 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
<b>Total Revenue</b>				<b>\$351.00</b>	<b>\$175,500.00</b>
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
<b>Production Costs</b>					
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
Insecticide					
Corn Insecticide	1	Acre	\$14.41	\$14.41	\$7,205.00
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
Machinery Labor					
Tractors/Self-Propelled	0.88	Hour	\$10.00	\$8.80	\$4,400.00
Diesel Fuel					
Tractors/Self-Propelled	8.5	Gallon	\$2.65	\$22.53	\$11,262.50
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	\$27.76	\$27.76	\$13,881.88
Implements	1	Acre	\$14.56	\$14.56	\$7,277.94
Interest on Credit Line			4.75%	\$7.23	\$3,612.50
<b>Total Variable Costs</b>				<b>\$349.67</b>	<b>\$174,833.32</b>
Planned Returns Above Variable Costs:				\$1.33	\$666.68
Breakeven Price to Cover Variable Costs			\$3.89	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	\$26.40	\$26.40	\$13,201.16
Implements	1	Acre	\$18.82	\$18.82	\$9,408.64
Equipment Investment					
Pickup/General Use Equipment	\$4.91	Dollars	6.00%	\$0.29	\$147.42
Tractors/Self-Propelled	\$201.11	Dollars	6.00%	\$12.07	\$6,033.32
Implements	\$94.77	Dollars	6.00%	\$5.69	\$2,842.96
Corn Land Rent	1	Acre	\$50.00	\$50.00	\$25,000.00
<b>Total Fixed Costs</b>				<b>\$113.96</b>	<b>\$56,982.10</b>
<b>Total Specified Costs</b>				<b>\$463.63</b>	<b>\$231,815.42</b>
Returns Above Specified Costs				<b>(\$112.63)</b>	<b>(\$56,315.42)</b>
<b>Breakeven Price to Cover Total Costs</b>			<b>\$5.15</b>	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	\$5.18	\$6.87
90%	81.00	\$4.32	\$5.72
100%	90.00	\$3.89	\$5.15
110%	99.00	\$3.53	\$4.68
125%	112.50	\$3.11	\$4.12

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.**