

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2016 Estimated Costs and Returns per Acre
Hard Red Winter Wheat - 200 Acres
Central Texas Extension District - 8

Crop Acres		200				Enterprise
REVENUE		Quantity	Units	\$/Unit	Total	Total
Wheat		45.00	Bushel	\$5.10	\$229.50	\$45,900.00
Total Revenue					\$229.50	\$45,900.00
VARIABLE COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs						
Custom						
Custom Combine		1	Acre	\$25.00	\$25.00	\$5,000.00
Custom Hauling Wheat		45	Bushel	\$0.30	\$13.50	\$2,700.00
Fertilizer						
46-0-0		128	Pound	\$0.60	\$76.80	\$15,360.00
18-46-0		50	Pound	\$0.65	\$32.50	\$6,500.00
Herbicide						
Weed Burndown		10	Ounce	\$0.24	\$2.40	\$480.00
Peak		1	Ounce	\$15.00	\$15.00	\$3,000.00
Insecticide						
Insecticide Greenbug		1	Acre	\$4.50	\$4.50	\$900.00
Miscellaneous						
Insurance - Wheat 65%		1	Acre	\$7.00	\$7.00	\$1,400.00
Insurance - Wheat SCO		1	Acre	\$2.00	\$2.00	\$400.00
Seed						
Wheat Seed		90	Pound	\$0.35	\$31.50	\$6,300.00
Fungicides						
Tebuconazole		4	Ounce	\$0.38	\$1.50	\$300.00
Machinery Labor						
Tractors/Self-Propelled		0.86	Hour	\$10.00	\$8.60	\$1,720.00
Diesel Fuel						
Tractors/Self-Propelled		5.65	Gallon	\$2.65	\$14.97	\$2,994.50
Repairs & Maintenance						
Tractors/Self-Propelled		1	Acre	\$9.11	\$9.11	\$1,821.95
Implements		1	Acre	\$11.91	\$11.91	\$2,382.17
Interest on Credit Line				4.75%	\$7.04	\$1,408.26
Total Variable Costs					\$263.33	\$52,666.88
Planned Returns Above Variable Costs:					(\$33.83)	(\$6,766.88)
Breakeven Price to Cover Variable Costs				\$5.85	Bushel	
FIXED COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation						
Tractors/Self-Propelled		1	Acre	\$9.41	\$9.41	\$1,882.68
Implements		1	Acre	\$14.18	\$14.18	\$2,835.25
Equipment Investment						
Tractors/Self-Propelled		\$73.33	Dollars	6.00%	\$4.40	\$880.00
Implements		\$62.94	Dollars	6.00%	\$3.78	\$755.23
Dryland Crop Rent		1	Acre	\$30.00	\$30.00	\$6,000.00
Total Fixed Costs					\$61.77	\$12,353.16
Total Specified Costs					\$325.10	\$65,020.04
Returns Above Specified Costs					(\$95.60)	(\$19,120.04)
Breakeven Price to Cover Total Costs				\$7.22	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	\$7.80	\$9.63
90%	40.50	\$6.50	\$8.03
100%	45.00	\$5.85	\$7.22
110%	49.50	\$5.32	\$6.57
125%	56.25	\$4.68	\$5.78

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.