

Projections for Planning Purposes Only -- Not to be Used without Updating
2017 Estimated Costs and Returns per Acre
Cotton - Genetically Modified Seed, Conv. Till-24 Row, Irrigated, 1250 lb. Yield Goal - 505 Acres
Coastal Bend Extension District - 11

Crop Acres		505			
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Cotton Lint	1,250.00	Pound	\$0.63	\$787.50	\$397,687.50
Cottonseed	0.86	Ton	\$242.00	\$208.12	\$105,100.60
Total Revenue				\$995.62	\$502,788.10
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Custom					
Fertilizer Application	0	CWT	\$0.10	\$0.00	\$0.00
Pick and Module	1250	Pound	\$0.14	\$175.00	\$88,375.00
Ginning - Picker	1250	Pound	\$0.13	\$156.25	\$78,906.25
Fertilizer					
24-8-0	0.2	Ton	\$256.00	\$51.20	\$25,856.00
Herbicide					
Glyphosate	3	Quart	\$5.25	\$15.75	\$7,953.75
Trifluralin	32	Ounce	\$0.19	\$6.00	\$3,030.00
2, 4D Amine	2	Pint	\$1.88	\$3.75	\$1,893.75
Insecticide					
Boll Weevil Program LC	1	Acre	\$3.50	\$3.50	\$1,767.50
Fleahopper Control	3.2	Ounce	\$1.02	\$3.26	\$1,648.32
Miscellaneous					
Crop Insurance - Irr Cotton	1	Acre	\$19.08	\$19.08	\$9,635.40
Pickup Milage Charge	1	Acre	\$3.88	\$3.88	\$1,959.40
Seed					
Cotton Seed - B2RF	45	Thousand	\$0.62	\$28.07	\$14,175.86
Cotton Seed - Insect Treatment	45	Thousand	\$0.17	\$7.65	\$3,863.25
Tech Fee - B2RF	1	Acre	\$43.16	\$43.16	\$21,795.80
Other Chemicals					
Generic PIX	24	Ounce	\$0.08	\$1.88	\$946.88
Defoliant - Picker	4.8	Ounce	\$0.74	\$3.55	\$1,793.76
Silicone Surfactant	1.6	Ounce	\$0.70	\$1.12	\$565.60
Other Labor					
Hand Labor	0.08	Hour	\$16.00	\$1.28	\$646.40
Irrigation					
Energy Cost	10.00	AcreInch	\$2.10	\$21.00	\$10,605.00
Irrigation Labor	1.50	Hour	\$19.50	\$29.25	\$14,771.25
Machinery Labor					
Tractors/Self-Propelled	0.5	Hour	\$19.50	\$9.75	\$4,923.75
Diesel Fuel					
Tractors/Self-Propelled	6.29	Gallon	\$2.10	\$13.21	\$6,670.55
Repairs & Maintenance					
Irrigation Equipment	1	Acre	\$25.08	\$25.08	\$12,666.67
Tractors/Self-Propelled	1	Acre	\$14.13	\$14.13	\$7,138.17
Implements	1	Acre	\$19.04	\$19.04	\$9,616.95
Interest on Credit Line			4.25%	\$8.97	\$4,528.79
Total Variable Costs				\$664.82	\$335,734.03
Planned Returns Above Variable Costs:				\$330.80	\$167,054.07
Breakeven Price to Cover Variable Costs			\$0.37	Pound	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Irrigation Equipment	1	Acre	\$28.18	\$28.18	\$14,233.33
Tractors/Self-Propelled	1	Acre	\$19.30	\$19.30	\$9,747.60
Implements	1	Acre	\$24.91	\$24.91	\$12,580.26
Equipment Investment					
Irrigation Equipment	\$293.56	Dollars	7.00%	\$20.55	\$10,377.50
Tractors/Self-Propelled	\$148.19	Dollars	7.00%	\$10.37	\$5,238.46
Implements	\$111.58	Dollars	7.00%	\$7.81	\$3,944.18
Management Fee, Owner/Operator Labor	1	Acre	\$49.78	\$49.78	\$25,139.41
LCB - Land Charge	1	Acre	\$70.00	\$70.00	\$35,350.00
Total Fixed Costs				\$230.91	\$116,610.74
Total Specified Costs				\$895.73	\$452,344.77
Returns Above Specified Costs				\$99.89	\$50,443.33
Breakeven Price to Cover Total Costs			\$0.55	Pound	

Example Breakeven Prices			
Example Yield Percent	Example Yield Pound	To Cover Variable Costs	To Cover Total Costs
75%	937.50	\$0.49	\$0.73
90%	1125.00	\$0.41	\$0.61
100%	1250.00	\$0.37	\$0.55
110%	1375.00	\$0.33	\$0.50
125%	1562.50	\$0.29	\$0.44

Developed by Extension Economists, 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.