

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2017 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	\$3.75	\$337.50	\$168,750.00
Total Revenue				\$337.50	\$168,750.00
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	\$100.00	\$100.00	\$50,000.00
Herbicide					
Herbicide, Atrazine	2	Pound	\$4.00	\$8.00	\$4,000.00
Corn Herbicide	32	Ounce	\$0.20	\$6.40	\$3,200.00
Weed Burndown	32	Ounce	\$0.20	\$6.40	\$3,200.00
Seed					
Herbicide Resistant Corn Seed	1	Acre	\$85.00	\$85.00	\$42,500.00
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	\$29.94	\$29.94	\$14,969.69
Implements	1	Acre	\$16.89	\$16.89	\$8,444.01
Interest on Credit Line			4.75%	\$7.14	\$3,571.45
Total Variable Costs				\$348.57	\$174,286.15
Planned Returns Above Variable Costs:				(\$11.07)	(\$5,536.15)
Breakeven Price to Cover Variable Costs			\$3.87	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	\$28.59	\$28.59	\$14,292.61
Implements	1	Acre	\$21.74	\$21.74	\$10,871.52
Equipment Investment					
Pickup/General Use Equipment	\$4.91	Dollars	6.00%	\$0.29	\$147.42
Tractors/Self-Propelled	\$217.99	Dollars	6.00%	\$13.08	\$6,539.57
Implements	\$108.69	Dollars	6.00%	\$6.52	\$3,260.66
Corn Land Rent	1	Acre	\$50.00	\$50.00	\$25,000.00
Total Fixed Costs				\$120.92	\$60,460.39
Total Specified Costs				\$469.49	\$234,746.53
Returns Above Specified Costs				(\$131.99)	(\$65,996.53)
Breakeven Price to Cover Total Costs			\$5.22	Bushel	

Example Breakeven Prices			
Example Yield Percent	Example Yield Bushel	To Cover Variable Costs	To Cover Total Costs
75%	67.50	\$5.16	\$6.96
90%	81.00	\$4.30	\$5.80
100%	90.00	\$3.87	\$5.22
110%	99.00	\$3.52	\$4.74
125%	112.50	\$3.10	\$4.17

Developed by Jason Johnson, Associate Professor and Extension Economist, Texas A&M AgriLife Extension, 254-968-4144.

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.