

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2017 Estimated Costs and Returns per Acre**  
**Stacked Cotton - 500 Acres**  
**Central Texas Extension District - 8**

Crop Acres		500			
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Cotton Lint	500.00	Pound	\$0.66	\$330.00	\$165,000.00
Cottonseed	0.33	Ton	\$175.00	\$57.75	\$28,875.00
<b>Total Revenue</b>				<b>\$387.75</b>	<b>\$193,875.00</b>
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
<b>Production Costs</b>					
Custom					
Stripping	500	Pound	\$0.10	\$50.00	\$25,000.00
Ginning	500	Pound	\$0.10	\$50.00	\$25,000.00
Fertilizer					
Fertilizer - N, P, K	1	Acre	\$60.00	\$60.00	\$30,000.00
Herbicide					
Yellow Herbicide	1	Acre	\$4.00	\$4.00	\$2,000.00
Planting Burndown	32	Ounce	\$0.20	\$6.40	\$3,200.00
Herbicide 1st Application	32	Ounce	\$0.20	\$6.40	\$3,200.00
Herbicide 2nd Application	32	Ounce	\$0.20	\$6.40	\$3,200.00
Insecticide					
Insecticide 1st Application	1	Acre	\$4.00	\$4.00	\$2,000.00
Insecticide 2nd Application	1	Acre	\$4.00	\$4.00	\$2,000.00
Boll Weevil Eradication	1	Acre	\$10.00	\$10.00	\$5,000.00
Miscellaneous					
Insurance - Cotton	1	Acre	\$20.00	\$20.00	\$10,000.00
Insurance - Cotton SCO/STAX	1	Acre	\$5.00	\$5.00	\$2,500.00
Seed					
Stacked Cotton Seed	1	Acre	\$28.00	\$28.00	\$14,000.00
Herbicide Tech Fee	1	Acre	\$18.00	\$18.00	\$9,000.00
bt Tech Fee	1	Acre	\$9.00	\$9.00	\$4,500.00
Other Chemicals					
Defoliant	1	Acre	\$12.00	\$12.00	\$6,000.00
Dessicant	1	Acre	\$10.00	\$10.00	\$5,000.00
Machinery Labor					
Tractors/Self-Propelled	0.86	Hour	\$10.00	\$8.60	\$4,300.00
Diesel Fuel					
Tractors/Self-Propelled	7.17	Gallon	\$2.65	\$19.00	\$9,500.25
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	\$16.53	\$16.53	\$8,264.42
Implements	1	Acre	\$16.56	\$16.56	\$8,279.26
Interest on Credit Line			4.75%	\$5.45	\$2,726.36
<b>Total Variable Costs</b>				<b>\$374.11</b>	<b>\$187,053.78</b>
Planned Returns Above Variable Costs:				\$13.64	\$6,821.22
Breakeven Price to Cover Variable Costs			\$0.63	Pound	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
<b>Machinery Depreciation</b>					
Pickup/General Use Equipment	1	Acre	\$0.70	\$0.70	\$348.60
Tractors/Self-Propelled	1	Acre	\$17.08	\$17.08	\$8,539.90
Implements	1	Acre	\$21.54	\$21.54	\$10,769.92
<b>Equipment Investment</b>					
Pickup/General Use Equipment	\$4.91	Dollars	6.00%	\$0.29	\$147.42
Tractors/Self-Propelled	\$133.06	Dollars	6.00%	\$7.98	\$3,991.71
Implements	\$92.14	Dollars	6.00%	\$5.53	\$2,764.28
Cotton Land Rent	1	Acre	\$50.00	\$50.00	\$25,000.00
<b>Total Fixed Costs</b>				<b>\$103.12</b>	<b>\$51,561.83</b>
<b>Total Specified Costs</b>				<b>\$477.23</b>	<b>\$238,615.61</b>
Returns Above Specified Costs				(\$89.48)	(\$44,740.61)
<b>Breakeven Price to Cover Total Costs</b>			<b>\$0.84</b>	Pound	

Example Breakeven Prices			
Example Yield Percent	Example Yield Pound	To Cover Variable Costs	To Cover Total Costs
75%	375.00	\$0.84	\$1.12
90%	450.00	\$0.70	\$0.93
100%	500.00	\$0.63	\$0.84
110%	550.00	\$0.58	\$0.76
125%	625.00	\$0.51	\$0.67

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.**