

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

Crop Acres		500				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	Total
Grain Sorghum	45.00	CWT	\$5.35	\$240.75	\$120,375.00	\$120,375.00
Total Revenue				\$240.75	\$120,375.00	\$120,375.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
<b>Production Costs</b>						
Custom						
Dry Fertilizer Rig	1	Acre	\$5.00	\$5.00	\$2,500.00	\$2,500.00
Custom Combine	1	Acre	\$25.00	\$25.00	\$12,500.00	\$12,500.00
Custom Hauling Sorghum	45	CWT	\$0.25	\$11.25	\$5,625.00	\$5,625.00
Fertilizer						
18-46-0	100	Pound	\$0.23	\$23.00	\$11,500.00	\$11,500.00
46-0-0	80	Pound	\$0.17	\$13.60	\$6,800.00	\$6,800.00
Herbicide						
Pre-emerge sorghum	1.5	Quart	\$4.00	\$6.00	\$3,000.00	\$3,000.00
Insecticide						
Insecticide - Midge	1	Acre	\$3.00	\$3.00	\$1,500.00	\$1,500.00
Miscellaneous						
Insurance - Sorghum	1	Acre	\$11.00	\$11.00	\$5,500.00	\$5,500.00
Seed						
Treated Sorghum Seed	5	Pound	\$3.00	\$15.00	\$7,500.00	\$7,500.00
Machinery Labor						
Tractors/Self-Propelled	0.51	Hour	\$10.00	\$5.10	\$2,550.00	\$2,550.00
Diesel Fuel						
Tractors/Self-Propelled	4.98	Gallon	\$2.65	\$13.20	\$6,598.50	\$6,598.50
Repairs & Maintenance						
Tractors/Self-Propelled	1	Acre	\$11.34	\$11.34	\$5,668.24	\$5,668.24
Implements	1	Acre	\$15.16	\$15.16	\$7,578.72	\$7,578.72
Interest on Credit Line			4.75%	\$2.93	\$1,467.23	\$1,467.23
Total Variable Costs				\$160.58	\$80,287.69	\$80,287.69
Planned Returns Above Variable Costs:				\$80.17	\$40,087.31	\$40,087.31
Breakeven Price to Cover Variable Costs			\$3.57	CWT		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Machinery Depreciation						
Tractors/Self-Propelled	1	Acre	\$12.63	\$12.63	\$6,314.67	\$6,314.67
Implements	1	Acre	\$19.86	\$19.86	\$9,932.13	\$9,932.13
Equipment Investment						
Tractors/Self-Propelled	\$97.96	Dollars	6.00%	\$5.88	\$2,938.85	\$2,938.85
Implements	\$84.97	Dollars	6.00%	\$5.10	\$2,549.25	\$2,549.25
Dryland Crop Rent	1	Acre	\$30.00	\$30.00	\$15,000.00	\$15,000.00
Total Fixed Costs				\$73.47	\$36,734.89	\$36,734.89
Total Specified Costs				\$234.05	\$117,022.58	\$117,022.58
Returns Above Specified Costs				\$6.70	\$3,352.42	\$3,352.42
Breakeven Price to Cover Total Costs			\$5.20	CWT		

Example Breakeven Prices				
Example	Example	To Cover	To Cover	
Yield	Yield	Variable	Total	
Percent	CWT	Costs	Costs	
75%	33.75	\$4.76	\$6.93	
90%	40.50	\$3.96	\$5.78	
100%	45.00	\$3.57	\$5.20	
110%	49.50	\$3.24	\$4.73	
125%	56.25	\$2.85	\$4.16	

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.**