

Projections for Planning Purposes Only -- Not to be Used without Updating
2017 Estimated Costs and Returns per Acre
Dryland Cotton - 100 Acres
Southwest Extension District - 10

Crop Acres		100			
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Cotton Lint	400.00	Pound	\$0.62	\$248.00	\$24,800.00
Cottonseed	680.00	Pound	\$0.11	\$74.80	\$7,480.00
Total Revenue				\$322.80	\$32,280.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Custom					
Custom Apply Fertilizer	1	Acre	\$4.00	\$4.00	\$400.00
Gin, Bag, Tie - CWT	10.8	CWT	\$3.00	\$32.40	\$3,240.00
Fertilizer					
UAN(32% N)	1.26	CWT	\$12.00	\$15.12	\$1,512.00
Fertilizer 18-46-0	54	Pound	\$0.22	\$11.88	\$1,188.00
Herbicide					
Glyphosate	1.4	Pint	\$2.25	\$3.15	\$315.00
Prowl H2O	2	Pint	\$5.63	\$11.26	\$1,126.00
Insecticide					
Karate Z	1	Ounce	\$0.81	\$0.81	\$81.00
Miscellaneous					
Crop Insurance - Cotton Dry	1	Acre	\$19.00	\$19.00	\$1,900.00
Boll Weevil Eradication Program	1	Acre	\$7.00	\$7.00	\$700.00
Seed					
Cotton Seed BIIRRF	35	Thousand	\$1.50	\$52.50	\$5,250.00
Other Chemicals					
Gramoxone SL	24	Ounce	\$0.24	\$5.76	\$576.00
Aim	0.75	Ounce	\$4.84	\$3.63	\$363.00
Crop Oil Concentrate	0.25	Pint	\$2.53	\$0.63	\$63.25
Machinery Labor					
Tractors/Self-Propelled	2.04	Hour	\$12.00	\$24.48	\$2,448.00
Diesel Fuel					
Tractors/Self-Propelled	12.92	Gallon	\$1.83	\$23.64	\$2,364.36
Gasoline					
Pickup/General Use Equipment	1	Acre	\$20.22	\$20.22	\$2,022.28
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$4.84	\$4.84	\$483.84
Tractors/Self-Propelled	1	Acre	\$26.43	\$26.43	\$2,643.11
Implements	1	Acre	\$14.18	\$14.18	\$1,417.68
Interest on Credit Line			6.50%	\$7.18	\$717.84
Total Variable Costs				\$288.11	\$28,811.37
Planned Returns Above Variable Costs:				\$34.69	\$3,468.63
Breakeven Price to Cover Variable Costs			\$0.53	Pound	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$25.20	\$25.20	\$2,520.00
Tractors/Self-Propelled	1	Acre	\$33.99	\$33.99	\$3,399.47
Implements	1	Acre	\$18.06	\$18.06	\$1,805.56
Equipment Investment					
Pickup/General Use Equipment	\$105.00	Dollars	6.50%	\$6.83	\$682.50
Tractors/Self-Propelled	\$295.13	Dollars	6.50%	\$19.18	\$1,918.37
Implements	\$103.08	Dollars	6.50%	\$6.70	\$670.04
Dryland Winter Garden Rent	1	Acre	\$20.00	\$20.00	\$2,000.00
Total Fixed Costs				\$129.96	\$12,995.94
Total Specified Costs				\$418.07	\$41,807.30
Returns Above Specified Costs				(\$95.27)	(\$9,527.30)
Breakeven Price to Cover Total Costs			\$0.86	Pound	

Example Breakeven Prices			
Example Yield Percent	Example Yield Pound	To Cover Variable Costs	To Cover Total Costs
75%	300.00	\$0.71	\$1.14
90%	360.00	\$0.59	\$0.95
100%	400.00	\$0.53	\$0.86
110%	440.00	\$0.48	\$0.78
125%	500.00	\$0.43	\$0.69

Developed by Rob Hogan, Associate Professor and Extension Economist, Texas A&M AgriLife Extension, 830-278-9151.

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.