

Projections for Planning Purposes Only -- Not to be Used without Updating
2018 Estimated Costs and Returns per Acre
Cotton - GMO Seed, Conv. Till-12 Row, Dryland, 900 lb. Yield Goal
Coastal Bend Extension District - 11

Crop Acres		500		Enterprise	
REVENUE	Quantity	Units	\$/Unit	Total	Total
Cotton Lint	900.00	Pound	\$0.63	\$567.00	\$283,500.00
Cottonseed	0.62	Ton	\$120.00	\$74.52	\$37,260.00
Total Revenue				\$641.52	\$320,760.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total
Production Costs					
Seed					
Cotton Seed - B2RF	54	Thousand	\$0.62	\$33.69	\$16,842.60
Tech Fee - B2RF	1	Acre	\$43.16	\$43.16	\$21,580.00
Fertilizer					
24-6-2'	0.208	Ton	\$215.00	\$44.72	\$22,360.00
Custom					
Cotton Scout	1	Acre	\$7.00	\$7.00	\$3,500.00
Pick and Module	1000	Pound	\$0.14	\$140.00	\$70,000.00
Ginning - Picker	1000	Pound	\$0.13	\$125.00	\$62,500.00
Miscellaneous					
Boll Weevil Program UC	1.8	Bale	\$3.50	\$6.30	\$3,150.00
Pickup Milage Charge	1	Acre	\$3.88	\$3.88	\$1,940.00
Insecticide					
Cutworm Control	1	Ounce	\$0.70	\$0.70	\$350.00
Fleahopper Control UC	1.6	Ounce	\$1.25	\$2.00	\$1,000.00
Stinkbug Control	8	Ounce	\$0.33	\$2.64	\$1,320.00
Herbicide					
Crop Insurance -Cotton UC	1	Acre	\$21.27	\$21.27	\$10,635.00
Glyphosate (Generic)	4	Quart	\$4.25	\$17.00	\$8,500.00
Cotton PreEmerge Herbicide	1.5	Quart	\$12.00	\$18.00	\$9,000.00
2, 4D Amine'	2	Pint	\$1.37	\$2.74	\$1,370.00
Other Chemicals					
Surfactant	0.2	Pint	\$1.38	\$0.28	\$138.00
Generic PIX	32	Ounce	\$0.07	\$2.24	\$1,120.00
Defoliant - Picker	6.4	Ounce	\$0.74	\$4.74	\$2,368.00
Silicone Surfactant UC	0.025	Gallon	\$83.00	\$2.08	\$1,037.50
Other Labor					
Hand Labor	0.46	Hour	\$16.00	\$7.36	\$3,680.00
Machinery Labor					
Tractors/Self-Propelled	0.75	Hour	\$19.50	\$14.63	\$7,312.50
Diesel Fuel					
Tractors/Self-Propelled	8.95	Gallon	\$2.30	\$20.59	\$10,292.50
Repairs & Maintenance					
Tractors/Self-Propelled	1	Acre	\$19.63	\$19.63	\$9,815.55
Implements	1	Acre	\$12.34	\$12.34	\$6,172.05
Interest on Credit Line			5.50%	\$12.13	\$6,064.74
Total Variable Costs				\$564.10	\$282,048.44
Planned Returns Above Variable Costs:				\$77.42	\$38,711.56
Breakeven Price to Cover Variable Costs			\$0.54	Pound	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total
Machinery Depreciation					
Tractors/Self-Propelled	1	Acre	\$25.74	\$25.74	\$12,872.41
Implements	1	Acre	\$15.74	\$15.74	\$7,867.63
Equipment Investment					
Tractors/Self-Propelled	\$195.70	Dollars	6.00%	\$11.74	\$5,871.15
Implements	\$73.04	Dollars	6.00%	\$4.38	\$2,191.11
Management Fee, Owner/Operator Labor	1	Acre	\$32.08	\$32.08	\$16,038.00
UCB - Land Charge	1	Acre	\$85.00	\$85.00	\$42,500.00
Total Fixed Costs				\$174.68	\$87,340.31
Total Specified Costs				\$738.78	\$369,388.75
Returns Above Specified Costs				(\$97.26)	(\$48,628.75)
Breakeven Price to Cover Total Costs			\$0.74	Pound	

Example Breakeven Prices			
Example Yield Percent	Example Yield Pound	To Cover Variable Costs	To Cover Total Costs
75%	675.00	\$0.73	\$0.98
90%	810.00	\$0.60	\$0.82
100%	900.00	\$0.54	\$0.74
110%	990.00	\$0.49	\$0.67
125%	1125.00	\$0.44	\$0.59

Developed by Extension Economists, Texas A&M AgriLife Extension Service, budgets@tamu.edu.

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.