

Projections for Planning Purposes Only -- Not to be Used without Updating
2018 Estimated Costs and Returns per Acre
Dryland Cotton (Solid 40" Rows)
Rolling Plains Extension District - 3

Crop Acres		640			
Enterprise					
REVENUE	Quantity	Units	\$/Unit	Total	Total
Cotton Lint	480.00	Pound	\$0.56	\$268.80	\$172,032.00
Cottonseed	0.40	Ton	\$200.00	\$79.20	\$50,688.00
Total Revenue				\$348.00	\$222,720.00
Enterprise					
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total
Production Costs					
Custom					
Fertilizer Application	1	Acre	\$5.50	\$5.50	\$3,520.00
Insecticide Application	1	Acre	\$5.50	\$5.50	\$3,520.00
Gin, Bag, Ties	480	Pound	\$0.12	\$57.60	\$36,864.00
Custom Stripping	480	Pound	\$0.10	\$48.00	\$30,720.00
Fertilizer					
Fertilizer (N)	57	Pound	\$0.41	\$23.37	\$14,956.80
Herbicide					
Roundup	2	Pint	\$2.19	\$4.38	\$2,800.00
Insecticide					
Insecticide - Cotton	0.5	Pound	\$7.20	\$3.60	\$2,304.00
Bollweevil Eradication	1	Acre	\$2.50	\$2.50	\$1,600.00
Miscellaneous					
Insurance - Dryland Cotton	1	Acre	\$15.00	\$15.00	\$9,600.00
Seed					
Cotton Seed	5	Pound	\$7.70	\$38.50	\$24,640.00
Machinery Labor					
Tractors/Self-Propelled	1.01	Hour	\$10.00	\$10.10	\$6,464.00
Other Labor	1.21	Hour	\$10.00	\$12.10	\$7,744.00
Diesel Fuel					
Tractors/Self-Propelled	6.88	Gallon	\$2.10	\$14.45	\$9,246.72
Gasoline					
Pickup/General Use Equipment	1	Acre	\$1.05	\$1.05	\$675.00
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$0.28	\$0.28	\$181.13
Tractors/Self-Propelled	1	Acre	\$13.43	\$13.43	\$8,594.99
Implements	1	Acre	\$15.28	\$15.28	\$9,781.38
Interest on Credit Line			5.75%	\$4.97	\$3,177.83
Total Variable Costs				\$275.61	\$176,389.84
Planned Returns Above Variable Costs:				\$72.39	\$46,330.16
Breakeven Price to Cover Variable Costs			\$0.41	Pound	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$0.39	\$0.39	\$251.46
Tractors/Self-Propelled	1	Acre	\$13.88	\$13.88	\$8,881.49
Implements	1	Acre	\$19.04	\$19.04	\$12,183.99
Equipment Investment					
Pickup/General Use Equipment	\$2.75	Dollars	5.50%	\$0.15	\$96.88
Tractors/Self-Propelled	\$108.11	Dollars	5.50%	\$5.95	\$3,805.43
Implements	\$81.44	Dollars	5.50%	\$4.48	\$2,866.62
Cash Rent - Dryland Cotton	1	Acre	\$32.00	\$32.00	\$20,480.00
Total Fixed Costs				\$75.88	\$48,565.88
Total Specified Costs				\$351.49	\$224,955.72
Returns Above Specified Costs				(\$3.49)	(\$2,235.72)
Breakeven Price to Cover Total Costs			\$0.57	Pound	

Example Breakeven Prices			
Example	Example	To Cover	To Cover
Yield	Yield	Variable	Total
Percent	Pound	Costs	Costs
75%	360.00	\$0.55	\$0.76
90%	432.00	\$0.45	\$0.63
100%	480.00	\$0.41	\$0.57
110%	528.00	\$0.37	\$0.52
125%	600.00	\$0.33	\$0.45

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.