

Projections for Planning Purposes Only -- Not to be Used without Updating
2018 Estimated Costs and Returns per Acre
Herbicide Resistant Corn - Reduced Tillage
Central Texas Extension District - 8

Crop Acres		500			
REVENUE					
	Quantity	Units	\$/Unit	Total	Enterprise Total
Corn	90.00	Bushel	\$3.85	\$346.50	\$173,250.00
Total Revenue				\$346.50	\$173,250.00
VARIABLE COSTS					
	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Custom					
Liquid Fertilizer Rig	1	Acre	\$4.00	\$4.00	\$2,000.00
Custom Grain Haul	90	Bushel	\$0.17	\$15.30	\$7,650.00
Fertilizer					
Fertilizer - N, P, Zinc, S	1	Acre	\$100.00	\$100.00	\$50,000.00
Herbicide					
Herbicide, Atrazine	2	Pound	\$4.00	\$8.00	\$4,000.00
Corn Herbicide	32	Ounce	\$0.20	\$6.40	\$3,200.00
Weed Burndown	32	Ounce	\$0.20	\$6.40	\$3,200.00
Insecticide					
Corn Insecticide	1	Acre	\$14.41	\$14.41	\$7,205.00
Miscellaneous					
Insurance - Corn 70%	1	Acre	\$15.00	\$15.00	\$7,500.00
Insurance - Corn SCO	1	Acre	\$4.00	\$4.00	\$2,000.00
Seed					
Herbicide Resistant Corn Seed	1	Acre	\$85.00	\$85.00	\$42,500.00
Machinery Labor					
Tractors/Self-Propelled	0.88	Hour	\$10.00	\$8.80	\$4,400.00
Diesel Fuel					
Tractors/Self-Propelled	8.5	Gallon	\$2.40	\$20.40	\$10,200.00
Gasoline					
Pickup/General Use Equipment	1	Acre	\$3.30	\$3.30	\$1,650.00
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$0.67	\$0.67	\$336.00
Tractors/Self-Propelled	1	Acre	\$29.77	\$29.77	\$14,883.05
Implements	1	Acre	\$17.09	\$17.09	\$8,545.65
Interest on Credit Line			4.75%	\$7.25	\$3,623.41
Total Variable Costs				\$345.79	\$172,893.11
Planned Returns Above Variable Costs:				\$0.71	\$356.89
Breakeven Price to Cover Variable Costs				\$3.84	Bushel
FIXED COSTS					
	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$0.70	\$0.70	\$348.60
Tractors/Self-Propelled	1	Acre	\$28.44	\$28.44	\$14,220.76
Implements	1	Acre	\$21.99	\$21.99	\$10,993.53
Equipment Investment					
Pickup/General Use Equipment	\$4.91	Dollars	6.00%	\$0.29	\$147.42
Tractors/Self-Propelled	\$216.94	Dollars	6.00%	\$13.02	\$6,508.11
Implements	\$109.78	Dollars	6.00%	\$6.59	\$3,293.36
Corn Land Rent	1	Acre	\$50.00	\$50.00	\$25,000.00
Total Fixed Costs				\$121.02	\$60,511.78
Total Specified Costs				\$466.81	\$233,404.89
Returns Above Specified Costs				(\$120.31)	(\$60,154.89)
Breakeven Price to Cover Total Costs				\$5.19	Bushel

Example Breakeven Prices			
Example Yield Percent	Example Yield Bushel	To Cover Variable Costs	To Cover Total Costs
75%	67.50	\$5.12	\$6.92
90%	81.00	\$4.27	\$5.76
100%	90.00	\$3.84	\$5.19
110%	99.00	\$3.49	\$4.72
125%	112.50	\$3.07	\$4.15

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.