

Projections for Planning Purposes Only -- Not to be Used without Updating
2019 Estimated Costs and Returns per Acre
Cotton - Conventional Seed, Till-24 Row, Dryland, 800 lb. Yield Goal
Coastal Bend Extension District - 11

Crop Acres		500			
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Cotton Lint	800.00	Pound	\$0.66	\$528.00	\$264,000.00
Cottonseed	0.58	Ton	\$125.00	\$72.50	\$36,250.00
Total Revenue				\$600.50	\$300,250.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Custom					
Fertilizer Application	1	Ounce	\$0.15	\$0.15	\$75.00
Pick and Module	800	Pound	\$0.14	\$112.00	\$56,000.00
Ginning - Picker	800	Pound	\$0.13	\$100.00	\$50,000.00
Fertilizer					
24-8-0	0.1665	Ton	\$266.00	\$44.29	\$22,144.50
Herbicide					
Trifluralin	32	Ounce	\$0.19	\$6.08	\$3,040.00
Cotton PreEmerge Herbicide	1	Quart	\$11.17	\$11.17	\$5,585.00
Cotton Early Season Herbicide	0.1	Quart	\$16.24	\$1.62	\$812.00
Cotton Mid Season Herbicide	3	Ounce	\$4.94	\$14.82	\$7,410.00
2, 4D Amine	2	Pint	\$2.07	\$4.14	\$2,070.00
Select	1	Pint	\$9.90	\$9.90	\$4,950.00
Seed					
Cotton Seed	52.8	Thousand	\$0.74	\$39.07	\$19,536.00
Cotton Seed - Insect Treatment	52.8	Thousand	\$0.17	\$8.98	\$4,488.00
Insecticide					
Fleahopper Control LC	1.6	Ounce	\$1.08	\$1.73	\$864.00
Miscellaneous					
Boll Weevil Program LC	1.6	Bale	\$3.50	\$5.60	\$2,800.00
Crop Insurance -Cotton LC	1	Acre	\$12.08	\$12.08	\$6,040.00
Pickup Milage Charge	1	Acre	\$3.88	\$3.88	\$1,940.00
Other Chemicals					
Generic PIX	32	Ounce	\$0.06	\$1.92	\$960.00
Defoliant - Picker	4	Ounce	\$1.05	\$4.20	\$2,100.00
2, 4D Amine	2	Pint	\$2.07	\$4.14	\$2,070.00
Glyphosate	1	Quart	\$5.50	\$5.50	\$2,750.00
Ethephon	21	Ounce	\$0.15	\$3.15	\$1,575.00
Other Labor					
Hand Labor	0.08	Hour	\$16.00	\$1.28	\$640.00
Machinery Labor					
Tractors/Self-Propelled	0.51	Hour	\$19.50	\$9.95	\$4,972.50
Diesel Fuel					
Tractors/Self-Propelled	6.72	Gallon	\$2.46	\$16.53	\$8,265.60
Repairs & Maintenance					
Tractors/Self-Propelled	1	Acre	\$16.60	\$16.60	\$8,301.44
Implements	1	Acre	\$13.96	\$13.96	\$6,979.24
Interest on Credit Line			6.75%	\$10.13	\$5,066.65
Total Variable Costs				\$462.87	\$231,434.93
Planned Returns Above Variable Costs:				\$137.63	\$68,815.07
Breakeven Price to Cover Variable Costs			\$0.49	Pound	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Tractors/Self-Propelled	1	Acre	\$23.36	\$23.36	\$11,679.50
Implements	1	Acre	\$18.71	\$18.71	\$9,356.08
Equipment Investment					
Tractors/Self-Propelled	\$179.09	Dollars	6.00%	\$10.75	\$5,372.77
Implements	\$80.88	Dollars	6.00%	\$4.85	\$2,426.34
Management Fee, Owner/Operator Labor	1	Acre	\$30.03	\$30.03	\$15,012.50
LCB - Land Charge	1	Acre	\$70.00	\$70.00	\$35,000.00
Total Fixed Costs				\$157.69	\$78,847.19
Total Specified Costs				\$620.56	\$310,282.12
Returns Above Specified Costs				(\$20.06)	(\$10,032.12)
Breakeven Price to Cover Total Costs			\$0.69	Pound	

Example Breakeven Prices			
Example Yield Percent	Example Yield Pound	To Cover Variable Costs	To Cover Total Costs
75%	600.00	\$0.65	\$0.91
90%	720.00	\$0.54	\$0.76
100%	800.00	\$0.49	\$0.69
110%	880.00	\$0.44	\$0.62
125%	1000.00	\$0.39	\$0.55

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.