

Projections for Planning Purposes Only -- Not to be Used without Updating
2019 Estimated Costs and Returns per Acre
Dryland Cotton (Solid 40" Rows)
Rolling Plains Extension District - 3

Crop Acres		640			
REVENUE					
	Quantity	Units	\$/Unit	Total	Enterprise Total
Cotton Lint	480.00	Pound	\$0.57	\$273.60	\$175,104.00
Cottonseed	0.40	Ton	\$200.00	\$79.20	\$50,688.00
Total Revenue				\$352.80	\$225,792.00
VARIABLE COSTS					
	Quantity	Units	\$/Unit	Total	Enterprise 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	\$0.48	\$27.36	\$17,510.40
Herbicide					
Roundup	2	Pint	\$2.06	\$4.13	\$2,640.00
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	\$2.20	\$15.14	\$9,687.04
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	\$13.34	\$13.34	\$8,537.18
Implements	1	Acre	\$15.66	\$15.66	\$10,021.95
Interest on Credit Line			5.75%	\$5.18	\$3,318.16
Total Variable Costs				\$280.54	\$179,546.85
Planned Returns Above Variable Costs:				\$72.26	\$46,245.15
Breakeven Price to Cover Variable Costs			\$0.42	Pound	
FIXED COSTS					
	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$0.39	\$0.39	\$251.46
Tractors/Self-Propelled	1	Acre	\$13.78	\$13.78	\$8,821.75
Implements	1	Acre	\$19.57	\$19.57	\$12,525.84
Equipment Investment					
Pickup/General Use Equipment	\$2.75	Dollars	5.50%	\$0.15	\$96.88
Tractors/Self-Propelled	\$107.38	Dollars	5.50%	\$5.91	\$3,779.84
Implements	\$83.72	Dollars	5.50%	\$4.60	\$2,947.05
Cash Rent - Dryland Cotton	1	Acre	\$32.00	\$32.00	\$20,480.00
Total Fixed Costs				\$76.41	\$48,902.82
Total Specified Costs				\$356.95	\$228,449.67
Returns Above Specified Costs				(\$4.15)	(\$2,657.67)
Breakeven Price to Cover Total Costs			\$0.58	Pound	

Example Breakeven Prices			
Example Yield Percent	Example Yield Pound	To Cover Variable Costs	To Cover Total Costs
75%	360.00	\$0.56	\$0.77
90%	432.00	\$0.47	\$0.64
100%	480.00	\$0.42	\$0.58
110%	528.00	\$0.38	\$0.53
125%	600.00	\$0.34	\$0.46

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.