

Projections for Planning Purposes Only -- Not to be Used without Updating
2019 Estimated Costs and Returns per Acre
Cotton, Conventional Tillage, Dryland, Rio Grande Valley
South Extension District - 12

Crop Acres		100			
				Enterprise	
REVENUE	Quantity	Units	\$/Unit	Total	Total
Cotton Lint	720.00	Pound	\$0.66	\$475.20	\$47,520.00
Cottonseed	0.51	Ton	\$144.00	\$73.82	\$7,382.02
Total Revenue				\$549.02	\$54,902.02
				Enterprise	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total
Production Costs					
Custom					
Insect Scouting	1	Acre	\$10.00	\$10.00	\$1,000.00
Apply by Air - 3 Gallons	2	Application	\$7.46	\$14.92	\$1,492.00
Custom Harvest Cotton	720	Pound	\$0.13	\$93.60	\$9,360.00
Custom Haul Cotton	720	Pound	\$0.15	\$108.00	\$10,800.00
Gin	720	Pound	\$0.12	\$86.40	\$8,640.00
Fertilizer					
UAN (32% N)	1.5	CWT	\$15.25	\$22.88	\$2,287.50
Herbicide					
Trifluralin 4EC	2	Pint	\$3.65	\$7.30	\$730.09
Insecticide					
Vydate C-LV	8.5	Ounce	\$0.97	\$8.22	\$822.12
Oberon 4SC	2	Ounce	\$3.84	\$7.68	\$767.52
Seed					
Cotton Seed	30	Thousand	\$0.64	\$19.20	\$1,920.00
Other Chemicals					
Thidiazuron	5.4	Ounce	\$1.21	\$6.53	\$653.40
Surfactant	1	Pint	\$5.35	\$5.35	\$535.00
Other Labor					
Unallocated Labor	1.2432	Hour	\$12.00	\$14.92	\$1,491.84
Machinery Labor					
Tractors/Self-Propelled	1.6	Hour	\$12.00	\$19.20	\$1,920.00
Other Labor	0.28	Hour	\$12.00	\$3.36	\$336.00
Diesel Fuel					
Tractors/Self-Propelled	10.57	Gallon	\$2.30	\$24.31	\$2,431.10
Repairs & Maintenance					
Tractors/Self-Propelled	1	Acre	\$22.26	\$22.26	\$2,226.25
Implements	1	Acre	\$17.02	\$17.02	\$1,702.10
Interest on Credit Line			5.00%	\$4.26	\$426.12
Total Variable Costs				\$495.41	\$49,541.05
Planned Returns Above Variable Costs:				\$53.61	\$5,360.97
Breakeven Price to Cover Variable Costs			\$0.59	Pound	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Tractors/Self-Propelled	1	Acre	\$24.95	\$24.95	\$2,494.56
Implements	1	Acre	\$20.92	\$20.92	\$2,092.48
Equipment Investment					
Tractors/Self-Propelled	\$193.43	Dollars	7.00%	\$13.54	\$1,354.03
Implements	\$116.14	Dollars	7.00%	\$8.13	\$813.00
Cash Rent, Dryland	1	Acre	\$60.00	\$60.00	\$6,000.00
Total Fixed Costs				\$127.54	\$12,754.08
Total Specified Costs				\$622.95	\$62,295.13
Returns Above Specified Costs				(\$73.93)	(\$7,393.11)
Breakeven Price to Cover Total Costs			\$0.76	Pound	

Example Breakeven Prices			
Example Yield Percent	Example Yield Pound	To Cover Variable Costs	To Cover Total Costs
75%	540.00	\$0.78	\$1.02
90%	648.00	\$0.65	\$0.85
100%	720.00	\$0.59	\$0.76
110%	792.00	\$0.53	\$0.69
125%	900.00	\$0.47	\$0.61

Developed by Samuel Zapata, Assistant Professor and Extension Economist, Texas A&M AgriLife Extension, 956-968-5581.

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.