

**2019 Estimated Costs and Returns per Acre
Sugar Cane, Planted, Furrow Irrigated, Rio Grande Valley
South Extension District - 12**

Crop Acres		100			
REVENUE				Total	Enterprise Total
Sugar Cane	50.00	Ton	\$20.00	\$1,000.00	\$100,000.00
Total Revenue				\$1,000.00	\$100,000.00
VARIABLE COSTS				Total	Enterprise Total
Production Costs					
Custom					
Seed Cane Transport/Distribution	1	Acre	\$180.00	\$180.00	\$18,000.00
Seed Cane Covering	1	Acre	\$10.00	\$10.00	\$1,000.00
Fixed Harvesting - SC	1	Acre	\$168.00	\$168.00	\$16,800.00
Variable Harvesting - SC	50	Ton	\$3.67	\$183.50	\$18,350.00
Hauling - SC	50	Ton	\$3.36	\$168.00	\$16,800.00
Fertilizer					
Fertilizer 10-34-0	2.4	CWT	\$35.00	\$84.01	\$8,400.60
UAN (32% N)	3.3	CWT	\$15.25	\$50.33	\$5,032.50
Herbicide					
Atrazine 4L	6	Pint	\$1.90	\$11.42	\$1,142.47
Pendimethalin	9.6	Pint	\$6.11	\$58.68	\$5,867.64
Miscellaneous					
Insurance, Sugarcane	1	Acre	\$17.50	\$17.50	\$1,750.00
Seed					
Seed Cane	4.5	Ton	\$37.50	\$168.75	\$16,875.00
Other Labor					
Unallocated Labor	0.5	Hour	\$12.00	\$6.00	\$600.00
Irrigation					
Water Cost	5.50	Acre/Foot	\$20.00	\$110.00	\$11,000.00
Irrigation Labor	7.70	Hour	\$12.00	\$92.40	\$9,240.00
Machinery Labor					
Tractors/Self-Propelled	1.21	Hour	\$12.00	\$14.52	\$1,452.00
Diesel Fuel					
Tractors/Self-Propelled	5.89	Gallon	\$2.30	\$13.55	\$1,354.70
Repairs & Maintenance					
Tractors/Self-Propelled	1	Acre	\$12.47	\$12.47	\$1,247.48
Implements	1	Acre	\$9.92	\$9.92	\$992.35
Interest on Credit Line			5.00%	\$42.48	\$4,247.93
Total Variable Costs				\$1,401.53	\$140,152.66
Planned Returns Above Variable Costs:				(\$401.53)	(\$40,152.66)
Breakeven Price to Cover Variable Costs			\$28.03	Ton	
FIXED COSTS				Total	Enterprise Total
Machinery Depreciation					
Tractors/Self-Propelled	1	Acre	\$12.89	\$12.89	\$1,289.06
Implements	1	Acre	\$12.47	\$12.47	\$1,246.79
Equipment Investment					
Tractors/Self-Propelled	\$100.42	Dollars	7.00%	\$7.03	\$702.96
Implements	\$54.20	Dollars	7.00%	\$3.79	\$379.41
Allocated Establishment Cost	1	Acre	\$2.11	\$2.11	\$211.00
Cash Rent, Sugar Cane	1	Acre	\$110.00	\$110.00	\$11,000.00
Total Fixed Costs				\$148.29	\$14,829.22
Total Specified Costs				\$1,549.82	\$154,981.88
Returns Above Specified Costs				(\$549.82)	(\$54,981.88)
Breakeven Price to Cover Total Costs			\$31.00	Ton	

Example Breakeven Prices

Example Yield Percent	Example Yield Ton	To Cover Variable Costs	To Cover Total Costs
75%	37.50	\$37.37	\$41.33
90%	45.00	\$31.15	\$34.44
100%	50.00	\$28.03	\$31.00
110%	55.00	\$25.48	\$28.18
125%	62.50	\$22.42	\$24.80

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.