

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2019 Estimated Costs and Returns per Acre
Herbicide Resistant Corn
Central Texas Extension District - 8

Crop Acres		500				
REVENUE		Quantity	Units	\$/Unit	Total	Enterprise Total
Corn		90.00	Bushel	\$3.90	\$351.00	\$175,500.00
Total Revenue					\$351.00	\$175,500.00
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
Seed						
	Herbicide Resistant Corn Seed	1	Acre	\$85.00	\$85.00	\$42,500.00
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
Insecticide						
	Corn Insecticide	1	Acre	\$14.41	\$14.41	\$7,205.00
Machinery Labor						
	Tractors/Self-Propelled	0.94	Hour	\$10.00	\$9.40	\$4,700.00
Diesel Fuel						
	Tractors/Self-Propelled	9.14	Gallon	\$2.40	\$21.94	\$10,968.00
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	\$31.97	\$31.97	\$15,984.93
	Implements	1	Acre	\$20.63	\$20.63	\$10,315.36
	Interest on Credit Line			4.75%	\$7.47	\$3,734.08
Total Variable Costs					\$353.89	\$176,943.38
Planned Returns Above Variable Costs:					(\$2.89)	(\$1,443.38)
Breakeven Price to Cover Variable Costs				\$3.93	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	\$30.62	\$30.62	\$15,309.72
	Implements	1	Acre	\$25.54	\$25.54	\$12,767.88
Equipment Investment						
	Pickup/General Use Equipment	\$4.91	Dollars	6.00%	\$0.29	\$147.42
	Tractors/Self-Propelled	\$233.71	Dollars	6.00%	\$14.02	\$7,011.15
	Implements	\$127.05	Dollars	6.00%	\$7.62	\$3,811.47
Corn Land Rent						
		1	Acre	\$50.00	\$50.00	\$25,000.00
Total Fixed Costs					\$128.79	\$64,396.24
Total Specified Costs					\$482.68	\$241,339.62
Returns Above Specified Costs					(\$131.68)	(\$65,839.62)
Breakeven Price to Cover Total Costs				\$5.36	Bushel	

Example Breakeven Prices			
Example Yield Percent	Example Yield Bushel	To Cover Variable Costs	To Cover Total Costs
75%	67.50	\$5.24	\$7.15
90%	81.00	\$4.37	\$5.96
100%	90.00	\$3.93	\$5.36
110%	99.00	\$3.57	\$4.88
125%	112.50	\$3.15	\$4.29

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.