

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

Crop Acres		500				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	Total
Grain Sorghum	45.00	CWT	\$6.30	\$283.50	\$141,750.00	\$141,750.00
Total Revenue				\$283.50	\$141,750.00	\$141,750.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Production Costs						
Custom						
Dry Fertilizer Rig	1	Acre	\$5.00	\$5.00	\$2,500.00	
Custom Combine	1	Acre	\$25.00	\$25.00	\$12,500.00	
Custom Hauling Sorghum	45	CWT	\$0.25	\$11.25	\$5,625.00	
Fertilizer						
18-46-0	100	Pound	\$0.26	\$26.00	\$13,000.00	
46-0-0	80	Pound	\$0.20	\$16.00	\$8,000.00	
Herbicide						
Pre-emerge sorghum	1.5	Quart	\$4.00	\$6.00	\$3,000.00	
Insecticide						
Insecticide - Midge	1	Acre	\$3.00	\$3.00	\$1,500.00	
Miscellaneous						
Insurance - Sorghum	1	Acre	\$11.00	\$11.00	\$5,500.00	
Seed						
Treated Sorghum Seed	5	Pound	\$3.00	\$15.00	\$7,500.00	
Machinery Labor						
Tractors/Self-Propelled	0.51	Hour	\$10.00	\$5.10	\$2,550.00	
Diesel Fuel						
Tractors/Self-Propelled	4.95	Gallon	\$2.40	\$11.88	\$5,940.00	
Repairs & Maintenance						
Tractors/Self-Propelled	1	Acre	\$11.40	\$11.40	\$5,701.55	
Implements	1	Acre	\$16.61	\$16.61	\$8,303.91	
Interest on Credit Line			4.75%	\$3.22	\$1,610.46	
Total Variable Costs				\$166.46	\$83,230.93	
Planned Returns Above Variable Costs:				\$117.04	\$58,519.07	
Breakeven Price to Cover Variable Costs			\$3.70	CWT		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Machinery Depreciation						
Tractors/Self-Propelled	1	Acre	\$12.75	\$12.75	\$6,376.86	
Implements	1	Acre	\$21.64	\$21.64	\$10,818.22	
Equipment Investment						
Tractors/Self-Propelled	\$98.90	Dollars	6.00%	\$5.93	\$2,967.14	
Implements	\$92.56	Dollars	6.00%	\$5.55	\$2,776.68	
Dryland Crop Rent	1	Acre	\$30.00	\$30.00	\$15,000.00	
Total Fixed Costs				\$75.88	\$37,938.89	
Total Specified Costs				\$242.34	\$121,169.82	
Returns Above Specified Costs				\$41.16	\$20,580.18	
Breakeven Price to Cover Total Costs			\$5.39	CWT		

Example Breakeven Prices				
Example Yield Percent	Example Yield CWT	To Cover Variable Costs	To Cover Total Costs	
75%	33.75	\$4.93	\$7.18	
90%	40.50	\$4.11	\$5.98	
100%	45.00	\$3.70	\$5.39	
110%	49.50	\$3.36	\$4.90	
125%	56.25	\$2.96	\$4.31	

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.