

Projections for Planning Purposes Only -- Not to be Used without Updating
2019 Estimated Costs and Returns per Acre
Sorghum (Nitrogen Fertilizer Only)
North Texas Extension District - 4

Crop Acres		500				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	Total
Sorghum	33.00	CWT	\$6.50	\$214.50	\$214.50	\$107,250.00
Total Revenue				\$214.50	\$214.50	\$107,250.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Production Costs						
Herbicide						
Pre-emerge Sorghum	2	Acre	\$14.00	\$28.00	\$28.00	\$14,000.00
Seed						
Sorghum Seed	7	Pounds	\$2.25	\$15.75	\$15.75	\$7,875.00
Custom						
Custom Harvest Sorghum	1	Acre	\$18.00	\$18.00	\$18.00	\$9,000.00
Custom Haul Sorghum	33	CWT	\$0.53	\$17.49	\$17.49	\$8,745.00
Miscellaneous						
Insurance-Sorghum	1	Acre	\$8.00	\$8.00	\$8.00	\$4,000.00
Fertilizer						
10-34-0	100	Pounds	\$0.32	\$32.00	\$32.00	\$16,000.00
82-0-0	100	Pounds	\$0.44	\$44.00	\$44.00	\$22,000.00
Insecticide						
Insecticide-Sorghum	1	Acre	\$15.00	\$15.00	\$15.00	\$7,500.00
Machinery Labor						
Tractors/Self-Propelled	1.7	Hour	\$10.00	\$17.00	\$17.00	\$8,500.00
Diesel Fuel						
Tractors/Self-Propelled	8.28	Gallon	\$2.50	\$20.70	\$20.70	\$10,350.00
Repairs & Maintenance						
Tractors/Self-Propelled	1	Acre	\$12.80	\$12.80	\$12.80	\$6,402.14
Implements	1	Acre	\$27.28	\$27.28	\$27.28	\$13,641.96
Interest on Credit Line			4.75%	\$4.88	\$4.88	\$2,441.09
Total Variable Costs				\$260.91	\$260.91	\$130,455.19
Planned Returns Above Variable Costs:						
Breakeven Price to Cover Variable Costs			\$7.91	CWT	(\$46.41)	(\$23,205.19)
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Machinery Depreciation						
Tractors/Self-Propelled	1	Acre	\$12.14	\$12.14	\$12.14	\$6,070.44
Implements	1	Acre	\$31.24	\$31.24	\$31.24	\$15,619.42
Equipment Investment						
Tractors/Self-Propelled	\$94.58	Dollars	6.00%	\$5.67	\$5.67	\$2,837.44
Implements	\$133.63	Dollars	6.00%	\$8.02	\$8.02	\$4,008.99
Rent-Dryland Crop	1	Acre	\$25.00	\$25.00	\$25.00	\$12,500.00
Total Fixed Costs				\$82.07	\$82.07	\$41,036.28
Total Specified Costs				\$342.98	\$342.98	\$171,491.48
Returns Above Specified Costs						
					(\$128.48)	(\$64,241.48)
Breakeven Price to Cover Total Costs			\$10.39	CWT		

Example Breakeven Prices			
Example Yield Percent	Example Yield CWT	To Cover Variable Costs	To Cover Total Costs
75%	24.75	\$10.54	\$13.86
90%	29.70	\$8.78	\$11.55
100%	33.00	\$7.91	\$10.39
110%	36.30	\$7.19	\$9.45
125%	41.25	\$6.33	\$8.31

Developed by Blake Bennet, Associate Professor and Extension Economist, Texas A&M AgriLife Extension Service, 972-952-9273.

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.