

Projections for Planning Purposes Only -- Not to be Used without Updating
2020 Estimated Costs and Returns per Acre
Canola, Dryland, 1500 lb. Yield Goal
Coastal Bend Extension District - 11

Crop Acres		500			
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Canola	1,500.00	Pound	\$0.15	\$225.00	\$112,500.00
Total Revenue				\$225.00	\$112,500.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Custom					
Fertilizer Application LC	1	Acre	\$6.50	\$6.50	\$3,250.00
Custom Haul - Canola	15	CWT	\$0.75	\$11.25	\$5,625.00
Fertilizer					
32-11-3 6S	0.12	Ton	\$411.00	\$49.32	\$24,660.00
Herbicide					
Glyphosate (Generic)	2	Quart	\$3.38	\$6.76	\$3,380.00
Insecticide					
Aphid Control	10	Ounce	\$2.07	\$20.70	\$10,350.00
Miscellaneous					
Pickup Milage Charge	1	Acre	\$3.88	\$3.88	\$1,940.00
Crop Insurance -Canola	1	Acre	\$16.40	\$16.40	\$8,200.00
Seed					
Roundup Ready Canola Seed	4	Pound	\$5.80	\$23.20	\$11,600.00
Other Labor					
Hand Labor	0.018	Hour	\$16.00	\$0.29	\$144.00
Machinery Labor					
Tractors/Self-Propelled	0.57	Hour	\$19.50	\$11.12	\$5,557.50
Diesel Fuel					
Tractors/Self-Propelled	6.56	Gallon	\$2.20	\$14.43	\$7,216.00
Repairs & Maintenance					
Tractors/Self-Propelled	1	Acre	\$23.80	\$23.80	\$11,900.36
Implements	1	Acre	\$14.46	\$14.46	\$7,228.48
Interest on Credit Line			6.00%	\$6.53	\$3,263.30
Total Variable Costs				\$208.63	\$104,314.64
Planned Returns Above Variable Costs:				\$16.37	\$8,185.36
Breakeven Price to Cover Variable Costs			\$0.14	Pound	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Tractors/Self-Propelled	1	Acre	\$25.91	\$25.91	\$12,954.74
Implements	1	Acre	\$17.90	\$17.90	\$8,950.74
Equipment Investment					
Tractors/Self-Propelled	\$197.08	Dollars	6.00%	\$11.83	\$5,912.50
Implements	\$96.23	Dollars	6.00%	\$5.77	\$2,887.02
Management Fee, Owner/Operator Labor	1	Acre	\$11.25	\$11.25	\$5,625.00
LCB - Land Charge	1	Acre	\$70.00	\$70.00	\$35,000.00
Total Fixed Costs				\$142.66	\$71,330.01
Total Specified Costs				\$351.29	\$175,644.65
Returns Above Specified Costs				(\$126.29)	(\$63,144.65)
Breakeven Price to Cover Total Costs			\$0.23	Pound	

Example Breakeven Prices			
Example Yield Percent	Example Yield Pound	To Cover Variable Costs	To Cover Total Costs
75%	1125.00	\$0.19	\$0.31
90%	1350.00	\$0.15	\$0.26
100%	1500.00	\$0.14	\$0.23
110%	1650.00	\$0.13	\$0.21
125%	1875.00	\$0.11	\$0.19

Developed by Extension Economists, Texas A&M AgriLife Extension Service, budgets@tamu.edu.

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.