

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2020 Estimated Costs and Returns per Acre**  
**Cotton - Genetically Modified Seed, Conv. Till-24 Row, Dryland, 800 lb. Yield Goal - Lower Coast**  
**Coastal Bend Extension District - 11**

Crop Acres		500				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	Enterprise
Cotton Lint	800.00	Pound	\$0.66	\$528.00	\$264,000.00	
Cottonseed	0.58	Ton	\$150.00	\$87.00	\$43,500.00	
<b>Total Revenue</b>				<b>\$615.00</b>	<b>\$307,500.00</b>	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
<b>Production Costs</b>						
Custom						
Fertilizer Application	1	Ounce	\$0.15	\$0.15	\$75.00	
Pick and Module	800	Pound	\$0.14	\$112.00	\$56,000.00	
Ginning - Picker	800	Pound	\$0.13	\$100.00	\$50,000.00	
Fertilizer						
24-8-0	0.1665	Ton	\$266.00	\$44.29	\$22,144.50	
Herbicide						
Glyphosate	1	Quart	\$5.50	\$5.50	\$2,750.00	
Trifluralin	32	Ounce	\$0.19	\$6.08	\$3,040.00	
2, 4D Amine	2	Pint	\$2.07	\$4.14	\$2,070.00	
Cotton Early Season Herbicide	2	Quart	\$16.24	\$32.48	\$16,240.00	
Insecticide						
Fleahopper Control LC	1.6	Ounce	\$1.08	\$1.73	\$864.00	
Miscellaneous						
Boll Weevil Program LC	1.6	Bale	\$3.50	\$5.60	\$2,800.00	
Crop Insurance -Cotton LC	1	Acre	\$12.08	\$12.08	\$6,040.00	
Pickup Milage Charge	1	Acre	\$3.88	\$3.88	\$1,940.00	
Seed						
Cotton Seed - B2RF	40	Thousand	\$1.84	\$73.60	\$36,800.00	
Cotton Seed - Insect Treatment	40	Thousand	\$0.17	\$6.80	\$3,400.00	
Tech Fee - B2RF	1	Acre	\$0.00	\$0.00	\$0.00	
Other Chemicals						
Generic PIX	32	Ounce	\$0.06	\$1.92	\$960.00	
Defoliant - Picker	4	Ounce	\$1.05	\$4.20	\$2,100.00	
Ethephon	1.6	Ounce	\$0.15	\$0.24	\$120.00	
Other Labor						
Hand Labor	0.08	Hour	\$16.00	\$1.28	\$640.00	
Machinery Labor						
Tractors/Self-Propelled	0.51	Hour	\$19.50	\$9.95	\$4,972.50	
Diesel Fuel						
Tractors/Self-Propelled	6.49	Gallon	\$2.20	\$14.28	\$7,139.00	
Repairs & Maintenance						
Tractors/Self-Propelled	1	Acre	\$16.47	\$16.47	\$8,233.99	
Implements	1	Acre	\$19.26	\$19.26	\$9,628.67	
Interest on Credit Line			6.00%	\$9.85	\$4,925.27	
<b>Total Variable Costs</b>				<b>\$485.77</b>	<b>\$242,882.93</b>	
Planned Returns Above Variable Costs:				\$129.23	\$64,617.07	
Breakeven Price to Cover Variable Costs			\$0.50	Pound		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
<b>Machinery Depreciation</b>						
Tractors/Self-Propelled	1	Acre	\$23.02	\$23.02	\$11,507.66	
Implements	1	Acre	\$25.60	\$25.60	\$12,798.73	
<b>Equipment Investment</b>						
Tractors/Self-Propelled	\$176.51	Dollars	6.00%	\$10.59	\$5,295.29	
Implements	\$110.37	Dollars	6.00%	\$6.62	\$3,311.08	
Management Fee, Owner/Operator Labor	1	Acre	\$30.75	\$30.75	\$15,375.00	
LCB - Land Charge	1	Acre	\$70.00	\$70.00	\$35,000.00	
<b>Total Fixed Costs</b>				<b>\$166.58</b>	<b>\$83,287.76</b>	
<b>Total Specified Costs</b>				<b>\$652.34</b>	<b>\$326,170.69</b>	
Returns Above Specified Costs				(\$37.34)	(\$18,670.69)	
<b>Breakeven Price to Cover Total Costs</b>			<b>\$0.71</b>	<b>Pound</b>		

Example Breakeven Prices			
Example Yield Percent	Example Yield Pound	To Cover Variable Costs	To Cover Total Costs
75%	600.00	\$0.66	\$0.94
90%	720.00	\$0.55	\$0.79
100%	800.00	\$0.50	\$0.71
110%	880.00	\$0.45	\$0.64
125%	1000.00	\$0.40	\$0.57

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.**