

**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, Irrigated, 1250 lb. Yield Goal**  
**Coastal Bend Extension District - 11**

Crop Acres		505						
REVENUE				Quantity	Units	\$/Unit	Total	Enterprise Total
Cotton Lint		1,250.00	Pound	\$0.66		\$825.00	\$416,625.00	
Cottonseed		0.86	Ton	\$150.00		\$129.00	\$65,145.00	
<b>Total Revenue</b>						<b>\$954.00</b>	<b>\$481,770.00</b>	
VARIABLE COSTS				Quantity	Units	\$/Unit	Total	Enterprise Total
<b>Production Costs</b>								
Custom								
Fertilizer Application		0	Ounce	\$0.15		\$0.00	\$0.00	
Pick and Module		1250	Pound	\$0.14		\$175.00	\$88,375.00	
Ginning - Picker		1250	Pound	\$0.13		\$156.25	\$78,906.25	
Fertilizer								
24-8-0		0.165	Ton	\$266.00		\$43.89	\$22,164.45	
Herbicide								
Glyphosate		1	Quart	\$5.50		\$5.50	\$2,777.50	
Trifluralin		32	Ounce	\$0.19		\$6.08	\$3,070.40	
2, 4D Amine		2	Pint	\$2.07		\$4.14	\$2,090.70	
Cotton Early Season Herbicide		2	Quart	\$16.24		\$32.48	\$16,402.40	
Insecticide								
Fleahopper Control		1.6	Ounce	\$1.08		\$1.73	\$872.64	
Miscellaneous								
Boll Weevil Program LC		2.5	Bale	\$3.50		\$8.75	\$4,418.75	
Crop Insurance - Irr Cotton		1	Acre	\$14.49		\$14.49	\$7,317.45	
Pickup Milage Charge		1	Acre	\$3.88		\$3.88	\$1,959.40	
Seed								
Cotton Seed - B2RF		45	Thousand	\$1.84		\$82.80	\$41,814.00	
Cotton Seed - Insect Treatment		45	Thousand	\$0.17		\$7.65	\$3,863.25	
Tech Fee - B2RF		1	Acre	\$0.00		\$0.00	\$0.00	
Other Chemicals								
Generic PIX		32	Ounce	\$0.06		\$1.92	\$969.60	
Defoliant - Picker		4	Ounce	\$1.05		\$4.20	\$2,121.00	
Ethephon		1.6	Ounce	\$0.15		\$0.24	\$121.20	
Dual		1	Pint	\$6.60		\$6.60	\$3,333.00	
Other Labor								
Hand Labor		0.08	Hour	\$16.00		\$1.28	\$646.40	
Irrigation								
Energy Cost		10.00	AcreInch	\$2.10		\$21.00	\$10,605.00	
Irrigation Labor		1.50	Hour	\$19.50		\$29.25	\$14,771.25	
Machinery Labor								
Tractors/Self-Propelled		0.51	Hour	\$19.50		\$9.95	\$5,022.23	
Diesel Fuel								
Tractors/Self-Propelled		6.49	Gallon	\$2.20		\$14.28	\$7,210.39	
Repairs & Maintenance								
Irrigation Equipment		1	Acre	\$25.08		\$25.08	\$12,666.67	
Tractors/Self-Propelled		1	Acre	\$16.47		\$16.47	\$8,316.33	
Implements		1	Acre	\$19.26		\$19.26	\$9,724.96	
Interest on Credit Line				6.00%		\$13.15	\$6,640.15	
<b>Total Variable Costs</b>						<b>\$705.31</b>	<b>\$356,180.36</b>	
Planned Returns Above Variable Costs:						\$248.69	\$125,589.64	
Breakeven Price to Cover Variable Costs				\$0.46	Pound			
FIXED COSTS				Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation								
Irrigation Equipment		1	Acre	\$28.18		\$28.18	\$14,233.33	
Tractors/Self-Propelled		1	Acre	\$23.02		\$23.02	\$11,622.73	
Implements		1	Acre	\$25.60		\$25.60	\$12,926.72	
Equipment Investment								
Irrigation Equipment		\$293.56	Dollars	6.00%		\$17.61	\$8,895.00	
Tractors/Self-Propelled		\$176.51	Dollars	6.00%		\$10.59	\$5,348.24	
Implements		\$110.37	Dollars	6.00%		\$6.62	\$3,344.19	
Management Fee, Owner/Operator Labor		1	Acre	\$47.70		\$47.70	\$24,088.50	
LCB - Land Charge		1	Acre	\$70.00		\$70.00	\$35,350.00	
<b>Total Fixed Costs</b>						<b>\$229.32</b>	<b>\$115,808.72</b>	
<b>Total Specified Costs</b>						<b>\$934.63</b>	<b>\$471,989.08</b>	
Returns Above Specified Costs						\$19.37	\$9,780.92	
Breakeven Price to Cover Total Costs				\$0.64	Pound			

Example Breakeven Prices			
Example Yield Percent	Example Yield Pound	To Cover Variable Costs	To Cover Total Costs
75%	937.50	\$0.61	\$0.86
90%	1125.00	\$0.51	\$0.72
100%	1250.00	\$0.46	\$0.64
110%	1375.00	\$0.42	\$0.59
125%	1562.50	\$0.37	\$0.52

Developed by Extension Economists, Texas A&M AgrLife 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.**