

Projections for Planning Purposes Only -- Not to be Used without Updating
2020 Estimated Costs and Returns per Acre
Cotton - GMO Seed, Conv. Till-12 Row, Dryland, 900 lb. Yield Goal
Coastal Bend Extension District - 11

Crop Acres		500			Enterprise	
REVENUE	Quantity	Units	\$/Unit	Total	Total	Enterprise Total
Cotton Lint	900.00	Pound	\$0.66	\$594.00	\$297,000.00	
Cottonseed	0.62	Ton	\$150.00	\$93.15	\$46,575.00	
Total Revenue				\$687.15	\$343,575.00	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise Total
Production Costs						
Seed						
Cotton Seed - B2RF	40	Thousand	\$1.84	\$73.60	\$36,800.00	
Tech Fee - B2RF	1	Acre	\$0.00	\$0.00	\$0.00	
Fertilizer						
24-8-0`	0.1875	Ton	\$264.00	\$49.50	\$24,750.00	
Custom						
Pick and Module	900	Pound	\$0.14	\$126.00	\$63,000.00	
Ginning - Picker	900	Pound	\$0.13	\$112.50	\$56,250.00	
Miscellaneous						
Crop Insurance -Cotton UC	1	Acre	\$10.28	\$10.28	\$5,139.00	
Boll Weevil Program UC	1.8	Bale	\$3.50	\$6.30	\$3,150.00	
Pickup Milage Charge	1	Acre	\$3.88	\$3.88	\$1,940.00	
Insecticide						
Fleahopper Control UC	1.6	Ounce	\$1.08	\$1.73	\$864.00	
Stinkbug Control	8	Ounce	\$0.33	\$2.64	\$1,320.00	
Herbicide						
Glyphosate (Generic)	2	Quart	\$3.38	\$6.76	\$3,380.00	
2, 4D Amine`	2	Pint	\$1.43	\$2.86	\$1,430.00	
Cotton Early Season Herbicide	2	Quart	\$16.24	\$32.48	\$16,240.00	
Other Chemicals						
Surfactant	0.2	Pint	\$1.39	\$0.28	\$139.00	
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	0.46	Hour	\$16.00	\$7.36	\$3,680.00	
Machinery Labor						
Tractors/Self-Propelled	0.77	Hour	\$19.50	\$15.02	\$7,507.50	
Diesel Fuel						
Tractors/Self-Propelled	9.25	Gallon	\$2.20	\$20.35	\$10,175.00	
Repairs & Maintenance						
Tractors/Self-Propelled	1	Acre	\$21.16	\$21.16	\$10,579.65	
Implements	1	Acre	\$16.16	\$16.16	\$8,081.91	
Interest on Credit Line			6.00%	\$12.43	\$6,215.18	
Total Variable Costs				\$527.64	\$263,821.24	
Planned Returns Above Variable Costs:				\$159.51	\$79,753.76	
Breakeven Price to Cover Variable Costs			\$0.48	Pound		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise Total
Machinery Depreciation						
Tractors/Self-Propelled	1	Acre	\$28.73	\$28.73	\$14,363.93	
Implements	1	Acre	\$20.13	\$20.13	\$10,065.70	
Equipment Investment						
Tractors/Self-Propelled	\$218.08	Dollars	6.00%	\$13.08	\$6,542.47	
Implements	\$98.00	Dollars	6.00%	\$5.88	\$2,939.89	
Management Fee, Owner/Operator Labor	1	Acre	\$34.36	\$34.36	\$17,178.75	
UCB - Land Charge	1	Acre	\$85.00	\$85.00	\$42,500.00	
Total Fixed Costs				\$187.18	\$93,590.74	
Total Specified Costs				\$714.82	\$357,411.98	
Returns Above Specified Costs				(\$27.67)	(\$13,836.98)	
Breakeven Price to Cover Total Costs			\$0.69	Pound		

Example Breakeven Prices			
Example Yield Percent	Example Yield Pound	To Cover Variable Costs	To Cover Total Costs
75%	675.00	\$0.64	\$0.92
90%	810.00	\$0.54	\$0.77
100%	900.00	\$0.48	\$0.69
110%	990.00	\$0.44	\$0.63
125%	1125.00	\$0.39	\$0.55

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.