

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2020 Estimated Costs and Returns per Acre**  
**Cotton, Conventional Tillage, Furrow Irrigated, Rio Grande Valley**  
**South Extension District - 12**

Crop Acres		100				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	Total
Cotton Lint	975.00	Pound	\$0.66	\$643.50	\$64,350.00	\$64,350.00
Cottonseed	0.69	Ton	\$144.00	\$99.96	\$9,996.48	\$9,996.48
<b>Total Revenue</b>				<b>\$743.46</b>	<b>\$74,346.48</b>	<b>\$74,346.48</b>
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise Total
<b>Production Costs</b>						
Custom						
Insect Scouting	1	Acre	\$10.00	\$10.00	\$1,000.00	\$1,000.00
Custom Harvest Cotton	975	Pound	\$0.13	\$126.75	\$12,675.00	\$12,675.00
Gin	975	Pound	\$0.12	\$117.00	\$11,700.00	\$11,700.00
Fertilizer						
UAN (32% N)	3.06	CWT	\$15.25	\$46.67	\$4,666.50	\$4,666.50
Herbicide						
Trifluralin 4EC	2	Pint	\$3.65	\$7.30	\$730.09	\$730.09
2, 4-D Amine	1	Pint	\$1.75	\$1.75	\$175.00	\$175.00
Insecticide						
Transform	1	Ounce	\$7.80	\$7.80	\$780.00	\$780.00
Sivanto	10.5	Ounce	\$2.30	\$24.15	\$2,415.00	\$2,415.00
Centric	2.5	Ounce	\$5.52	\$13.80	\$1,380.00	\$1,380.00
Miscellaneous						
Insurance, Cotton - Irrigated	1	Acre	\$29.00	\$29.00	\$2,900.00	\$2,900.00
BW Erradication Program - Irr	1	Acre	\$28.00	\$28.00	\$2,800.00	\$2,800.00
Seed						
Cotton Seed	50	Thousand	\$1.52	\$76.09	\$7,608.70	\$7,608.70
Other Chemicals						
Mepiquat	24	Ounce	\$0.13	\$3.12	\$312.00	\$312.00
Thidiazuron	4	Ounce	\$1.21	\$4.84	\$484.00	\$484.00
Surfactant	0.25	Pint	\$5.35	\$1.34	\$133.75	\$133.75
Ethephon	21	Ounce	\$0.23	\$4.83	\$482.51	\$482.51
Other Labor						
Unallocated Labor	1.2856	Hour	\$12.00	\$15.43	\$1,542.72	\$1,542.72
Irrigation						
Water Cost	1.20	Acre/Foot	\$20.00	\$24.00	\$2,400.00	\$2,400.00
Irrigation Labor	3.30	Hour	\$12.00	\$39.60	\$3,960.00	\$3,960.00
Machinery Labor						
Tractors/Self-Propelled	1.86	Hour	\$12.00	\$22.32	\$2,232.00	\$2,232.00
Other Labor	0.36	Hour	\$12.00	\$4.32	\$432.00	\$432.00
Diesel Fuel						
Tractors/Self-Propelled	13.12	Gallon	\$2.30	\$30.18	\$3,017.60	\$3,017.60
Repairs & Maintenance						
Tractors/Self-Propelled	1	Acre	\$26.91	\$26.91	\$2,691.36	\$2,691.36
Implements	1	Acre	\$18.92	\$18.92	\$1,892.48	\$1,892.48
Interest on Credit Line			5.00%	\$7.65	\$764.65	\$764.65
<b>Total Variable Costs</b>				<b>\$691.75</b>	<b>\$69,175.35</b>	<b>\$69,175.35</b>
<b>Planned Returns Above Variable Costs:</b>				<b>\$51.71</b>	<b>\$5,171.13</b>	<b>\$5,171.13</b>
<b>Breakeven Price to Cover Variable Costs</b>			<b>\$0.61</b>	<b>Pound</b>		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise Total
Machinery Depreciation						
Tractors/Self-Propelled	1	Acre	\$35.52	\$35.52	\$3,551.99	\$3,551.99
Implements	1	Acre	\$23.39	\$23.39	\$2,339.27	\$2,339.27
Equipment Investment						
Tractors/Self-Propelled	\$273.13	Dollars	7.00%	\$19.12	\$1,911.91	\$1,911.91
Implements	\$127.89	Dollars	7.00%	\$8.95	\$895.22	\$895.22
Cash Rent, Irrigated	1	Acre	\$85.00	\$85.00	\$8,500.00	\$8,500.00
<b>Total Fixed Costs</b>				<b>\$171.98</b>	<b>\$17,198.39</b>	<b>\$17,198.39</b>
<b>Total Specified Costs</b>				<b>\$863.74</b>	<b>\$86,373.74</b>	<b>\$86,373.74</b>
<b>Returns Above Specified Costs</b>				<b>(\$120.27)</b>	<b>(\$12,027.26)</b>	<b>(\$12,027.26)</b>
<b>Breakeven Price to Cover Total Costs</b>			<b>\$0.78</b>	<b>Pound</b>		

Example Breakeven Prices			
Example Yield Percent	Example Yield Pound	To Cover Variable Costs	To Cover Total Costs
75%	731.25	\$0.81	\$1.04
90%	877.50	\$0.67	\$0.87
100%	975.00	\$0.61	\$0.78
110%	1072.50	\$0.55	\$0.71
125%	1218.75	\$0.49	\$0.63

Developed by Samuel Zapata, Assistant Professor and Extension Economist, Texas A&M AgriLife Extension, 956-968-5581.

**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.**