

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

Crop Acres		100				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	Enterprise
Cotton Lint	720.00	Pound	\$0.66	\$475.20	\$47,520.00	
Cottonseed	0.51	Ton	\$144.00	\$73.82	\$7,382.02	
Total Revenue				\$549.02	\$54,902.02	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Production Costs						
Custom						
Insect Scouting	1	Acre	\$10.00	\$10.00	\$1,000.00	
Custon Harvest Cotton	720	Pound	\$0.13	\$93.60	\$9,360.00	
Gin	720	Pound	\$0.12	\$86.40	\$8,640.00	
Fertilizer						
UAN (32% N)	2.26	CWT	\$15.25	\$34.47	\$3,446.50	
Herbicide						
Trifluralin 4EC	2	Pint	\$3.65	\$7.30	\$730.09	
Insecticide						
Transform	1	Ounce	\$7.80	\$7.80	\$780.00	
Centric	2.5	Ounce	\$5.52	\$13.80	\$1,380.00	
Sivanto	10.5	Ounce	\$2.30	\$24.15	\$2,415.00	
Seed						
Cotton Seed	30	Thousand	\$1.52	\$45.65	\$4,565.22	
Other Chemicals						
Thidiazuron	4	Ounce	\$1.21	\$4.84	\$484.00	
Surfactant	0.25	Pint	\$5.35	\$1.34	\$133.75	
Ethephon	21	Ounce	\$0.23	\$4.83	\$482.51	
Mepiquat	24	Ounce	\$0.13	\$3.12	\$312.00	
Other Labor						
Unallocated Labor	1.2432	Hour	\$12.00	\$14.92	\$1,491.84	
Miscellaneous						
Insurance, Cotton - Non-irrigated	1	Acre	\$22.00	\$22.00	\$2,200.00	
BW Erradication Program - Dry	1	Acre	\$14.00	\$14.00	\$1,400.00	
Machinery Labor						
Tractors/Self-Propelled	1.71	Hour	\$12.00	\$20.52	\$2,052.00	
Other Labor	0.35	Hour	\$12.00	\$4.20	\$420.00	
Diesel Fuel						
Tractors/Self-Propelled	12.97	Gallon	\$2.30	\$29.83	\$2,983.10	
Repairs & Maintenance						
Tractors/Self-Propelled	1	Acre	\$26.60	\$26.60	\$2,660.39	
Implements	1	Acre	\$18.79	\$18.79	\$1,878.64	
Interest on Credit Line			5.00%	\$5.43	\$542.52	
Total Variable Costs				\$493.58	\$49,357.56	
Planned Returns Above Variable Costs:				\$55.44	\$5,544.46	
Breakeven Price to Cover Variable Costs			\$0.58	Pound		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Machinery Depreciation						
Tractors/Self-Propelled	1	Acre	\$35.20	\$35.20	\$3,519.99	
Implements	1	Acre	\$23.12	\$23.12	\$2,311.59	
Equipment Investment						
Tractors/Self-Propelled	\$270.64	Dollars	7.00%	\$18.94	\$1,894.46	
Implements	\$126.50	Dollars	7.00%	\$8.86	\$885.53	
Cash Rent, Dryland	1	Acre	\$60.00	\$60.00	\$6,000.00	
Total Fixed Costs				\$146.12	\$14,611.58	
Total Specified Costs				\$639.69	\$63,969.13	
Returns Above Specified Costs				(\$90.67)	(\$9,067.12)	
Breakeven Price to Cover Total Costs			\$0.79	Pound		

Example Breakeven Prices			
Example	Example	To Cover	To Cover
Yield	Yield	Variable	Total
Percent	Pound	Costs	Costs
75%	540.00	\$0.78	\$1.05
90%	648.00	\$0.65	\$0.87
100%	720.00	\$0.58	\$0.79
110%	792.00	\$0.53	\$0.71
125%	900.00	\$0.47	\$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.