

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

Crop Acres		100			
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Grain Sorghum	30.00	CWT	\$6.50	\$195.00	\$19,500.00
<b>Total Revenue</b>				<b>\$195.00</b>	<b>\$19,500.00</b>
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
<b>Production Costs</b>					
Herbicide					
AAtrex 4L	2	Pint	\$2.48	\$4.95	\$495.28
Seed					
Grain Sorghum Seed	4.5	Pound	\$2.40	\$10.80	\$1,080.00
Fertilizer					
UAN (32% N)	1.41	CWT	\$15.25	\$21.50	\$2,150.25
Custom					
Harvest/Haul Sorghum	30	CWT	\$0.51	\$15.30	\$1,530.00
Other Labor					
Unallocated Labor	0.7072	Hour	\$12.00	\$8.49	\$848.64
Miscellaneous					
Insurance, Sorghum - Dryland	1	acre	\$8.61	\$8.61	\$861.00
Machinery Labor					
Tractors/Self-Propelled	1.4	Hour	\$12.00	\$16.80	\$1,680.00
Diesel Fuel					
Tractors/Self-Propelled	8.51	Gallon	\$2.30	\$19.57	\$1,957.30
Repairs & Maintenance					
Tractors/Self-Propelled	1	Acre	\$18.82	\$18.82	\$1,881.80
Implements	1	Acre	\$16.15	\$16.15	\$1,615.02
Interest on Credit Line			5.00%	\$2.95	\$294.73
<b>Total Variable Costs</b>				<b>\$143.94</b>	<b>\$14,394.03</b>
Planned Returns Above Variable Costs:				\$51.06	\$5,105.97
Breakeven Price to Cover Variable Costs			\$4.80 CWT		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Tractors/Self-Propelled	1	Acre	\$19.45	\$19.45	\$1,944.53
Implements	1	Acre	\$19.69	\$19.69	\$1,968.89
Equipment Investment					
Tractors/Self-Propelled	\$151.48	Dollars	7.00%	\$10.60	\$1,060.39
Implements	\$90.92	Dollars	7.00%	\$6.36	\$636.41
Cash Rent, Dryland	1	Acre	\$60.00	\$60.00	\$6,000.00
<b>Total Fixed Costs</b>				<b>\$116.10</b>	<b>\$11,610.22</b>
<b>Total Specified Costs</b>				<b>\$260.04</b>	<b>\$26,004.25</b>
Returns Above Specified Costs				(\$65.04)	(\$6,504.25)
<b>Breakeven Price to Cover Total Costs</b>			\$8.67 CWT		

Example Breakeven Prices			
Example Yield Percent	Example Yield CWT	To Cover Variable Costs	To Cover Total Costs
75%	22.50	\$6.40	\$11.56
90%	27.00	\$5.33	\$9.63
100%	30.00	\$4.80	\$8.67
110%	33.00	\$4.36	\$7.88
125%	37.50	\$3.84	\$6.93

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.**