

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2020 Estimated Costs and Returns per Acre
Sorghum (Nitrogen Fertilizer Only)
North Texas Extension District - 4

Crop Acres		500				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	Total
Sorghum	33.00	CWT	\$5.89	\$194.37	\$194.37	\$97,185.00
Total Revenue				\$194.37	\$194.37	\$97,185.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Production Costs						
Herbicide						
Pre-emerge Sorghum	2	Acre	\$14.00	\$28.00	\$28.00	\$14,000.00
Seed						
Sorghum Seed	7	Pounds	\$2.25	\$15.75	\$15.75	\$7,875.00
Custom						
Custom Harvest Sorghum	1	Acre	\$18.00	\$18.00	\$18.00	\$9,000.00
Custom Haul Sorghum	33	CWT	\$0.53	\$17.49	\$17.49	\$8,745.00
Miscellaneous						
Insurance-Sorghum	1	Acre	\$8.00	\$8.00	\$8.00	\$4,000.00
Fertilizer						
10-34-0	100	Pounds	\$0.32	\$32.00	\$32.00	\$16,000.00
82-0-0	100	Pounds	\$0.44	\$44.00	\$44.00	\$22,000.00
Insecticide						
Insecticide-Sorghum	1	Acre	\$15.00	\$15.00	\$15.00	\$7,500.00
Machinery Labor						
Tractors/Self-Propelled	1.31	Hour	\$10.00	\$13.10	\$13.10	\$6,550.00
Diesel Fuel						
Tractors/Self-Propelled	6.06	Gallon	\$2.50	\$15.15	\$15.15	\$7,575.00
Repairs & Maintenance						
Tractors/Self-Propelled	1	Acre	\$9.35	\$9.35	\$9.35	\$4,675.32
Implements	1	Acre	\$26.25	\$26.25	\$26.25	\$13,124.32
Interest on Credit Line			4.75%	\$4.53	\$4.53	\$2,264.39
Total Variable Costs				\$246.62	\$246.62	\$123,309.03
Planned Returns Above Variable Costs:						
Breakeven Price to Cover Variable Costs			\$7.47	CWT	(\$52.25)	(\$26,124.03)
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Machinery Depreciation						
Tractors/Self-Propelled	1	Acre	\$8.63	\$8.63	\$8.63	\$4,314.62
Implements	1	Acre	\$30.23	\$30.23	\$30.23	\$15,116.17
Equipment Investment						
Tractors/Self-Propelled	\$67.22	Dollars	6.00%	\$4.03	\$4.03	\$2,016.74
Implements	\$131.26	Dollars	6.00%	\$7.88	\$7.88	\$3,937.65
Rent-Dryland Crop	1	Acre	\$25.00	\$25.00	\$25.00	\$12,500.00
Total Fixed Costs				\$75.77	\$75.77	\$37,885.19
Total Specified Costs				\$322.39	\$322.39	\$161,194.22
Returns Above Specified Costs						
					(\$128.02)	(\$64,009.22)
Breakeven Price to Cover Total Costs			\$9.77	CWT		

Example Breakeven Prices			
Example	Example	To Cover	To Cover
Yield	Yield	Variable	Total
Percent	CWT	Costs	Costs
75%	24.75	\$9.96	\$13.03
90%	29.70	\$8.30	\$10.85
100%	33.00	\$7.47	\$9.77
110%	36.30	\$6.79	\$8.88
125%	41.25	\$5.98	\$7.82

Developed by Blake Bennet, Associate Professor and Extension Economist, Texas A&M AgriLife Extension Service, 972-952-9273.

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.