

**Projections for Planning Purposes Only -- *Not to be Used without Updating***  
**2020 Estimated Costs and Returns per Acre**  
**Herbicide Resistant Corn - Reduced Tillage**  
**Central Texas Extension District - 8**

| Crop Acres                                     |          | 500     |               |                   |                      |
|--|----------|---------|---------------|-------------------|----------------------|
| REVENUE  | Quantity | Units   | \$/Unit       | Total             | Enterprise Total     |
| Corn   | 90.00    | Bushel  | \$4.00        | \$360.00          | \$180,000.00         |
| <b>Total Revenue</b>                           |          |         |               | <b>\$360.00</b>   | <b>\$180,000.00</b>  |
| VARIABLE COSTS                                 | Quantity | Units   | \$/Unit       | Total             | Enterprise Total     |
| <b>Production Costs</b>                        |          |         |               |                   |                      |
| Custom   |          |         |               |                   |                      |
| Liquid Fertilizer Rig                          | 1        | Acre    | \$4.00        | \$4.00            | \$2,000.00           |
| Custom Grain Haul                              | 90       | Bushel  | \$0.20        | \$18.00           | \$9,000.00           |
| Fertilizer                                     |          |         |               |                   |                      |
| Fertilizer - N, P, Zinc, S                     | 1        | Acre    | \$100.00      | \$100.00          | \$50,000.00          |
| Herbicide                                      |          |         |               |                   |                      |
| Herbicide, Atrazine                            | 2        | Pound   | \$4.00        | \$8.00            | \$4,000.00           |
| Corn Herbicide                                 | 32       | Ounce   | \$0.20        | \$6.40            | \$3,200.00           |
| Weed Burndown                                  | 32       | Ounce   | \$0.20        | \$6.40            | \$3,200.00           |
| Insecticide                                    |          |         |               |                   |                      |
| Corn Insecticide                               | 1        | Acre    | \$14.41       | \$14.41           | \$7,205.00           |
| Miscellaneous                                  |          |         |               |                   |                      |
| Insurance - Corn 70%                           | 1        | Acre    | \$20.00       | \$20.00           | \$10,000.00          |
| Insurance - Corn SCO                           | 1        | Acre    | \$4.00        | \$4.00            | \$2,000.00           |
| Seed   |          |         |               |                   |                      |
| Herbicide Resistant Corn Seed                  | 1        | Acre    | \$85.00       | \$85.00           | \$42,500.00          |
| Machinery Labor                                |          |         |               |                   |                      |
| Tractors/Self-Propelled                        | 0.88     | Hour    | \$10.00       | \$8.80            | \$4,400.00           |
| Diesel Fuel                                    |          |         |               |                   |                      |
| Tractors/Self-Propelled                        | 8.5      | Gallon  | \$2.85        | \$24.23           | \$12,112.50          |
| Gasoline                                       |          |         |               |                   |                      |
| Pickup/General Use Equipment                   | 1        | Acre    | \$3.30        | \$3.30            | \$1,650.00           |
| Repairs & Maintenance                          |          |         |               |                   |                      |
| Pickup/General Use Equipment                   | 1        | Acre    | \$0.67        | \$0.67            | \$336.00             |
| Tractors/Self-Propelled                        | 1        | Acre    | \$32.18       | \$32.18           | \$16,092.50          |
| Implements                                     | 1        | Acre    | \$20.70       | \$20.70           | \$10,350.87          |
| Interest on Credit Line                        |          |         | 4.75%         | \$7.62            | \$3,811.22           |
| <b>Total Variable Costs</b>                    |          |         |               | <b>\$363.72</b>   | <b>\$181,858.08</b>  |
| <b>Planned Returns Above Variable Costs:</b>   |          |         |               | <b>(\$3.72)</b>   | <b>(\$1,858.08)</b>  |
| <b>Breakeven Price to Cover Variable Costs</b> |          |         | <b>\$4.04</b> | Bushel            |                      |
| FIXED COSTS                                    | Quantity | Units   | \$/Unit       | Total             | Enterprise Total     |
| Machinery Depreciation                         |          |         |               |                   |                      |
| Pickup/General Use Equipment                   | 1        | Acre    | \$0.70        | \$0.70            | \$348.60             |
| Tractors/Self-Propelled                        | 1        | Acre    | \$30.73       | \$30.73           | \$15,366.06          |
| Implements                                     | 1        | Acre    | \$26.55       | \$26.55           | \$13,276.55          |
| Equipment Investment                           |          |         |               |                   |                      |
| Pickup/General Use Equipment                   | \$4.91   | Dollars | 6.00%         | \$0.29            | \$147.42             |
| Tractors/Self-Propelled                        | \$234.36 | Dollars | 6.00%         | \$14.06           | \$7,030.92           |
| Implements                                     | \$132.65 | Dollars | 6.00%         | \$7.96            | \$3,979.63           |
| Corn Land Rent                                 | 1        | Acre    | \$50.00       | \$50.00           | \$25,000.00          |
| <b>Total Fixed Costs</b>                       |          |         |               | <b>\$130.30</b>   | <b>\$65,149.17</b>   |
| <b>Total Specified Costs</b>                   |          |         |               | <b>\$494.01</b>   | <b>\$247,007.25</b>  |
| <b>Returns Above Specified Costs</b>           |          |         |               | <b>(\$134.01)</b> | <b>(\$67,007.25)</b> |
| <b>Breakeven Price to Cover Total Costs</b>    |          |         | <b>\$5.49</b> | Bushel            |                      |

| Example Breakeven Prices |                      |                         |                      |
|--------------------------|----------------------|-------------------------|----------------------|
| Example Yield Percent    | Example Yield Bushel | To Cover Variable Costs | To Cover Total Costs |
| 75%                      | 67.50                | \$5.39                  | \$7.32               |
| 90%                      | 81.00                | \$4.49                  | \$6.10               |
| 100%                     | 90.00                | \$4.04                  | \$5.49               |
| 110%                     | 99.00                | \$3.67                  | \$4.99               |
| 125%                     | 112.50               | \$3.23                  | \$4.39               |

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**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.**