

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2020 Estimated Costs and Returns per Acre
Grain Sorghum
Central Texas Extension District - 8

Crop Acres		500			
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Grain Sorghum	45.00	CWT	\$6.40	\$288.00	\$144,000.00
Total Revenue				\$288.00	\$144,000.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Custom					
Dry Fertilizer Rig	1	Acre	\$8.00	\$8.00	\$4,000.00
Custom Combine	1	Acre	\$30.00	\$30.00	\$15,000.00
Custom Hauling Sorghum	45	CWT	\$0.25	\$11.25	\$5,625.00
Fertilizer					
18-46-0	100	Pound	\$0.26	\$26.00	\$13,000.00
46-0-0	80	Pound	\$0.20	\$16.00	\$8,000.00
Herbicide					
Pre-emerge sorghum	1.5	Quart	\$4.00	\$6.00	\$3,000.00
Insecticide					
Insecticide - Midge	1	Acre	\$3.00	\$3.00	\$1,500.00
Miscellaneous					
Insurance - Sorghum	1	Acre	\$11.00	\$11.00	\$5,500.00
Seed					
Treated Sorghum Seed	5	Pound	\$2.00	\$10.00	\$5,000.00
Machinery Labor					
Tractors/Self-Propelled	0.51	Hour	\$10.00	\$5.10	\$2,550.00
Diesel Fuel					
Tractors/Self-Propelled	4.95	Gallon	\$2.85	\$14.11	\$7,053.75
Repairs & Maintenance					
Tractors/Self-Propelled	1	Acre	\$12.30	\$12.30	\$6,151.38
Implements	1	Acre	\$19.15	\$19.15	\$9,572.92
Interest on Credit Line			4.75%	\$3.35	\$1,674.33
Total Variable Costs				\$175.25	\$87,627.37
Planned Returns Above Variable Costs:				\$112.75	\$56,372.63
Breakeven Price to Cover Variable Costs			\$3.89	CWT	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Tractors/Self-Propelled	1	Acre	\$13.81	\$13.81	\$6,907.09
Implements	1	Acre	\$24.91	\$24.91	\$12,455.91
Equipment Investment					
Tractors/Self-Propelled	\$107.11	Dollars	6.00%	\$6.43	\$3,213.15
Implements	\$106.57	Dollars	6.00%	\$6.39	\$3,197.02
Dryland Crop Rent	1	Acre	\$30.00	\$30.00	\$15,000.00
Total Fixed Costs				\$81.55	\$40,773.16
Total Specified Costs				\$256.80	\$128,400.54
Returns Above Specified Costs				\$31.20	\$15,599.46
Breakeven Price to Cover Total Costs			\$5.71	CWT	

Example Breakeven Prices				
Example Yield Percent	Example Yield CWT	To Cover Variable Costs	To Cover Total Costs	
75%	33.75	\$5.19	\$7.61	
90%	40.50	\$4.33	\$6.34	
100%	45.00	\$3.89	\$5.71	
110%	49.50	\$3.54	\$5.19	
125%	56.25	\$3.12	\$4.57	

Developed by Jason Johnson, Associate Professor and Extension Economist, Texas A&M AgriLife Extension, 254-968-4144.

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.