

**2023 Estimated Costs and Returns per Acre
Alfalfa Establishment, Sprinkler Irrigated (NG), Fall Seeding Only
Panhandle Extension District - 1**

Crop Acres	122				
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Total Revenue				\$0.00	\$0.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Custom					
Fertilizer Application	1	Acre	\$6.39	\$6.39	\$779.58
Fertilizer					
Fertilizer (P) - Dry	80	Pound	\$0.91	\$72.88	\$8,891.36
Herbicide					
Herbicide and Application Alfalfa	1	Acre	\$63.45	\$63.45	\$7,740.90
Seed					
Seed - Alfalfa	18	Pound	\$5.54	\$99.72	\$12,165.84
Irrigation					
Energy Cost	6.00	AcreInch	\$4.70	\$28.20	\$3,440.40
Irrigation Labor	0.38	Hour	\$17.50	\$6.72	\$819.84
Machinery Labor					
Tractors/Self-Propelled	0.41	Hour	\$17.21	\$7.06	\$860.84
Other Labor	0.48	Hour	\$17.21	\$8.26	\$1,007.82
Diesel Fuel					
Tractors/Self-Propelled	2.21	Gallon	\$2.24	\$4.95	\$603.95
Gasoline					
Pickup/General Use Equipment	1	Acre	\$4.28	\$4.28	\$522.50
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$2.51	\$2.51	\$306.00
Irrigation Equipment	1	Acre	\$22.50	\$22.50	\$2,745.00
Tractors/Self-Propelled	1	Acre	\$3.77	\$3.77	\$459.96
Implements	1	Acre	\$6.78	\$6.78	\$827.22
Interest on Credit Line			8.00%	\$9.06	\$1,105.03
Total Variable Costs				<u>\$346.53</u>	<u>\$42,276.24</u>
Planned Returns Above Variable Costs:				(\$346.53)	(\$42,276.24)
Breakeven Price to Cover Variable Costs			n/a		
FIXED COSTS	Quantity	Units	\$/Unit	Enterprise Total	
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$2.63	\$2.63	\$321.30
Irrigation Equipment	1	Acre	\$11.83	\$11.83	\$1,443.75
Tractors/Self-Propelled	1	Acre	\$3.77	\$3.77	\$459.81
Implements	1	Acre	\$8.07	\$8.07	\$984.36
Equipment Investment					
Pickup/General Use Equipment	\$18.18	Dollars	8.00%	\$1.45	\$177.48
Irrigation Equipment	\$142.93	Dollars	8.00%	\$11.43	\$1,395.00
Tractors/Self-Propelled	\$29.36	Dollars	8.00%	\$2.35	\$286.57
Implements	\$34.52	Dollars	8.00%	\$2.76	\$336.87
Cash Rent - Alfalfa	1	Acre	\$117.60	\$117.60	\$14,347.20
Total Fixed Costs				<u>\$161.90</u>	<u>\$19,752.33</u>
Total Specified Costs				<u>\$508.43</u>	<u>\$62,028.57</u>
Returns Above Specified Costs				(\$508.43)	(\$62,028.57)
Breakeven Price to Cover Total Costs			n/a		

Developed by Justin Benavidez, Assistant Professor, Texas A&M AgriLife Extension, 806-677-5600.

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.