

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2023 Estimated Costs and Returns per Acre
Non-Irrigated Sorghum Haygrazer, 3 ton yield
West Central Extension District - 7

Crop Acres	50				
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Hay, 1200# BRB	3.00	Ton	\$214.00	\$642.00	\$32,100.00
Total Revenue				\$642.00	\$32,100.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Fertilizer					
Nitrogen Dry-Urea	40	Pounds	\$0.62	\$24.80	\$1,240.00
Herbicide					
Husky	12	Ounce	\$0.89	\$10.64	\$532.03
Custom					
Soil Test-Dryland	1	Each	\$0.25	\$0.25	\$12.50
Swath, Rake and Bale	5	Bale	\$29.58	\$147.90	\$7,395.00
Seed					
Forage Sorghum	15	Pound	\$1.79	\$26.85	\$1,342.50
Insecticide					
Transform	1	Ounce	\$7.78	\$7.78	\$389.06
Machinery Labor					
Tractors/Self-Propelled	0.81	Hour	\$17.21	\$13.94	\$697.01
Diesel Fuel					
Tractors/Self-Propelled	6.06	Gallon	\$2.24	\$13.57	\$678.72
Gasoline					
Pickup/General Use Equipment	1	Acre	\$4.46	\$4.46	\$222.92
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$2.19	\$2.19	\$109.50
Tractors/Self-Propelled	1	Acre	\$16.28	\$16.28	\$814.07
Implements	1	Acre	\$4.69	\$4.69	\$234.60
Interest on Credit Line			8.00%	\$3.55	\$177.66
Total Variable Costs				\$276.91	\$13,845.57
Planned Returns Above Variable Costs:				\$365.09	\$18,254.43
Breakeven Price to Cover Variable Costs			\$92.30	Ton	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$4.64	\$4.64	\$232.20
Tractors/Self-Propelled	1	Acre	\$17.08	\$17.08	\$853.83
Implements	1	Acre	\$6.19	\$6.19	\$309.45
Equipment Investment					
Pickup/General Use Equipment	\$25.74	Dollars	8.00%	\$2.06	\$102.96
Tractors/Self-Propelled	\$132.82	Dollars	8.00%	\$10.63	\$531.27
Implements	\$27.03	Dollars	8.00%	\$2.16	\$108.12
Rent-Dryland Crop	1	Acre	\$35.00	\$35.00	\$1,750.00
Total Fixed Costs				\$77.76	\$3,887.84
Total Specified Costs				\$354.67	\$17,733.41
Returns Above Specified Costs				\$287.33	\$14,366.59
Breakeven Price to Cover Total Costs			\$118.22	Ton	

Example Breakeven Prices			
Example Yield Percent	Example Yield Ton	To Cover Variable Costs	To Cover Total Costs
75%	2.25	\$123.07	\$157.63
90%	2.70	\$102.56	\$131.36
100%	3.00	\$92.30	\$118.22
110%	3.30	\$83.91	\$107.48
125%	3.75	\$73.84	\$94.58

Developed by Bill Thompson, Assistant Professor and Extension Economist, Texas A&M AgriLife Extension Service, 325-653-4576.

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.