

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2014 Estimated Costs and Returns per Acre**  
**Rice West of Houston, 2nd Crop, Surface Water - 450 Acres**  
**Coastal Bend Extension District - 11**

Crop Acres		450				Enterprise
		Quantity	Units	\$/Unit	Total	Total
<b>REVENUE</b>						
	Rice 2nd Crop Loan	16.00	CWT	\$6.80	\$108.80	\$48,960.00
	Rice 2nd Crop Premium	16.00	CWT	\$7.50	\$120.00	\$54,000.00
Total Revenue					\$228.80	\$102,960.00
<b>VARIABLE COSTS</b>						
		Quantity	Units	\$/Unit	Total	Enterprise Total
<b>Production Costs</b>						
Fertilizer						
	46-0-0 ton	0.075	Ton	\$480.00	\$36.00	\$16,200.00
Insecticide						
	Stinkbug Rice	0.2222222	Pint	\$23.59	\$5.24	\$2,359.00
Miscellaneous						
	Check Off	16	CWT	\$0.08	\$1.28	\$576.00
	Commission	16	CWT	\$0.08	\$1.28	\$576.00
	Rice Storage	16	CWT	\$0.32	\$5.12	\$2,304.00
Custom						
	Top Dress	1	Acre	\$9.18	\$9.18	\$4,131.00
	Aerial Application	1	Acre	\$7.80	\$7.80	\$3,510.00
	Rice Hauling	19.3	CWT	\$0.36	\$6.95	\$3,126.60
	Rice Drying	19.3	CWT	\$1.25	\$24.13	\$10,856.25
Irrigation						
	Energy or Water Cost	1.90	AcreFoot	\$18.89	\$35.89	\$16,150.95
	Irrigation Labor	0.71	Hour	\$13.75	\$9.76	\$4,393.13
Machinery Labor						
	Tractors/Self-Propelled	0.35	Hour	\$13.75	\$4.81	\$2,165.63
Diesel Fuel						
	Tractors/Self-Propelled	2.78	Gallon	\$3.30	\$9.17	\$4,128.30
Repairs & Maintenance						
	Irrigation Equipment	1	Acre	\$0.01	\$0.01	\$5.33
	Tractors/Self-Propelled	1	Acre	\$9.43	\$9.43	\$4,241.63
	Implements	1	Acre	\$0.34	\$0.34	\$153.60
	Interest on Credit Line			5.00%	\$1.18	\$529.59
Total Variable Costs					\$167.57	\$75,407.00
Planned Returns Above Variable Costs:					\$61.23	\$27,553.00
Breakeven Price to Cover Variable Costs				\$2.97	CWT	
<b>FIXED COSTS</b>						
		Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation						
	Irrigation Equipment	1	Acre	\$0.24	\$0.24	\$106.67
	Tractors/Self-Propelled	1	Acre	\$9.92	\$9.92	\$4,462.16
	Implements	1	Acre	\$0.43	\$0.43	\$192.00
Equipment Investment						
	Irrigation Equipment	\$3.56	Dollars	7.00%	\$0.25	\$112.00
	Tractors/Self-Propelled	\$135.21	Dollars	7.00%	\$9.46	\$4,259.18
	Implements	\$14.22	Dollars	7.00%	\$1.00	\$448.00
	Management Fee, Owner/Operator Labor	1	Acre	\$11.44	\$11.44	\$5,148.00
Total Fixed Costs					\$32.73	\$14,728.00
Total Specified Costs					\$200.30	\$90,135.00
Returns Above Specified Costs					\$28.50	\$12,825.00
Breakeven Price to Cover Total Costs				\$5.02	CWT	

Example Breakeven Prices						
Example Yield Percent	Example Yield CWT	Price Needed to Cover Example Variable Costs		Price Needed to Cover Example Total Costs		
		Own/Rent	Share Tenant	Own/Rent	Share Tenant	Landlord
75%	12.00	\$3.96	\$3.96	\$6.69	\$6.69	\$0.00
90%	14.40	\$3.30	\$3.30	\$5.58	\$5.58	\$0.00
100%	16.00	\$2.97	\$2.97	\$5.02	\$5.02	\$0.00
110%	17.60	\$2.70	\$2.70	\$4.56	\$4.56	\$0.00
125%	20.00	\$2.38	\$2.38	\$4.02	\$4.02	\$0.00

Developed by Levi Russell, Assistant Professor and Extension Economist, Texas A&M AgriLife Extension Service.

**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.**