

Projections for Planning Purposes Only -- Not to be Used without Updating
2014 Estimated Costs and Returns per Acre
Herbicide Resistant Corn - 500 Acres
Central Texas Extension District - 8

Crop Acres		500				Enterprise
		Quantity	Units	\$/Unit	Total	Total
REVENUE						
Corn		90.00	Bushel	\$4.82	\$433.80	\$216,900.00
Total Revenue					\$433.80	\$216,900.00
VARIABLE COSTS						
		Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs						
Seed						
	Herbicide Resistant Corn Seed	1	Acre	\$70.00	\$70.00	\$35,000.00
Fertilizer						
	Fertilizer - N, P, Zinc, S	1	Acre	\$85.00	\$85.00	\$42,500.00
Herbicide						
	Herbicide, Atrazine	2	Pound	\$2.88	\$5.76	\$2,880.00
	Corn Herbicide	22	Ounce	\$0.24	\$5.28	\$2,640.00
	Weed Burndown	22	Ounce	\$0.24	\$5.28	\$2,640.00
Insecticide						
	Corn Insecticide	1	Acre	\$14.41	\$14.41	\$7,205.00
Miscellaneous						
	Insurance - Corn 70% CRC	1	Acre	\$11.00	\$11.00	\$5,500.00
Custom						
	Liquid Fertilizer Rig	1	Acre	\$4.00	\$4.00	\$2,000.00
	Custom Grain Haul	90	Bushel	\$0.17	\$15.30	\$7,650.00
Machinery Labor						
	Tractors/Self-Propelled	0.82	Hour	\$10.00	\$8.20	\$4,100.00
Diesel Fuel						
	Tractors/Self-Propelled	7.09	Gallon	\$2.65	\$18.79	\$9,394.25
Gasoline						
	Pickup/General Use Equipment	1	Acre	\$4.10	\$4.10	\$2,047.50
Repairs & Maintenance						
	Pickup/General Use Equipment	1	Acre	\$0.67	\$0.67	\$336.00
	Tractors/Self-Propelled	1	Acre	\$7.71	\$7.71	\$3,854.78
	Implements	1	Acre	\$5.71	\$5.71	\$2,853.15
	Interest on Credit Line			4.75%	\$5.46	\$2,729.03
Total Variable Costs					\$266.66	\$133,329.70
Planned Returns Above Variable Costs:					\$167.14	\$83,570.30
Breakeven Price to Cover Variable Costs					\$2.96	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	\$10.76	\$10.76	\$5,377.80
	Implements	1	Acre	\$9.00	\$9.00	\$4,500.97
Equipment Investment						
	Pickup/General Use Equipment	\$8.40	Dollars	6.00%	\$0.50	\$252.00
	Tractors/Self-Propelled	\$146.56	Dollars	6.00%	\$8.79	\$4,396.69
	Implements	\$76.25	Dollars	6.00%	\$4.57	\$2,287.40
	Corn Land Rent	1	Acre	\$50.00	\$50.00	\$25,000.00
Total Fixed Costs					\$84.33	\$42,163.47
Total Specified Costs					\$350.99	\$175,493.17
Returns Above Specified Costs					\$82.81	\$41,406.83
Breakeven Price to Cover Total Costs					\$3.90	Bushel

Example Breakeven Prices						
Example Yield Percent	Example Yield Bushel	Price Needed to Cover Example Variable Costs		Price Needed to Cover Example Total Costs		
		Own/Rent	Share Tenant	Own/Rent	Share Tenant	Landlord
75%	67.50	\$3.95	\$3.95	\$5.20	\$5.20	\$0.00
90%	81.00	\$3.29	\$3.29	\$4.33	\$4.33	\$0.00
100%	90.00	\$2.96	\$2.96	\$3.90	\$3.90	\$0.00
110%	99.00	\$2.69	\$2.69	\$3.55	\$3.55	\$0.00
125%	112.50	\$2.37	\$2.37	\$3.12	\$3.12	\$0.00

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

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.