

Projections for Planning Purposes Only -- Not to be Used without Updating

2015 Estimated Costs and Returns per Acre

Soft Wheat - 1160 Acres

North Texas Extension District - 4

Crop Acres		1160				
REVENUE		Quantity	Units	\$/Unit	Total	Enterprise Total
Wheat		45.00	Bushel	\$6.48	\$291.60	\$338,256.00
Total Revenue					\$291.60	\$338,256.00
VARIABLE COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs						
Custom						
	Custom Harvest Wheat	1	Acre	\$18.00	\$18.00	\$20,880.00
	Custom Haul Wheat	45	Bushels	\$0.32	\$14.40	\$16,704.00
Fertilizer						
	82-0-0	100	Pounds	\$0.44	\$44.00	\$51,040.00
	18-46-0	100	Pounds	\$0.36	\$36.00	\$41,760.00
Herbicide						
	Pre-Emerge Wheat	1	Acre	\$5.00	\$5.00	\$5,800.00
Insecticide						
	Insecticide-Greenbug	1	Acre	\$8.00	\$8.00	\$9,280.00
Seed						
	Wheat Seed	60	Pounds	\$0.30	\$18.00	\$20,880.00
Miscellaneous						
	Insurance-Wheat	1	Acre	\$4.50	\$4.50	\$5,220.00
Machinery Labor						
	Tractors/Self-Propelled	0.67	Hour	\$10.00	\$6.70	\$7,772.00
Diesel Fuel						
	Tractors/Self-Propelled	3.65	Gallon	\$3.50	\$12.78	\$14,819.00
Repairs & Maintenance						
	Tractors/Self-Propelled	1	Acre	\$5.40	\$5.40	\$6,269.39
	Implements	1	Acre	\$13.12	\$13.12	\$15,222.41
	Interest on Credit Line			4.75%	\$3.42	\$3,970.19
Total Variable Costs					\$189.32	\$219,616.99
Planned Returns Above Variable Costs:					\$102.28	\$118,639.01
Breakeven Price to Cover Variable Costs				\$4.21	Bushel	
FIXED COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation						
	Tractors/Self-Propelled	1	Acre	\$5.30	\$5.30	\$6,152.38
	Implements	1	Acre	\$16.34	\$16.34	\$18,956.60
Equipment Investment						
	Tractors/Self-Propelled	\$59.88	Dollars	6.00%	\$3.59	\$4,167.74
	Implements	\$127.10	Dollars	6.00%	\$7.63	\$8,846.41
	Rent-Dryland Crop	1	Acre	\$25.00	\$25.00	\$29,000.00
Total Fixed Costs					\$57.86	\$67,123.13
Total Specified Costs					\$247.19	\$286,740.12
Returns Above Specified Costs					\$44.41	\$51,515.88
Breakeven Price to Cover Total Costs				\$5.49	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%	33.75	\$5.61	\$5.61	\$7.32	\$7.32	\$0.00
90%	40.50	\$4.67	\$4.67	\$6.10	\$6.10	\$0.00
100%	45.00	\$4.21	\$4.21	\$5.49	\$5.49	\$0.00
110%	49.50	\$3.82	\$3.82	\$4.99	\$4.99	\$0.00
125%	56.25	\$3.37	\$3.37	\$4.39	\$4.39	\$0.00

Developed by Blake Bennet, Associate 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.