

Projections for Planning Purposes Only -- Not to be Used without Updating
2016 Estimated Costs and Returns per Acre
Corn, Conventional Tillage, Furrow Irrigated, Rio Grande Valley - 100 Acres
South Extension District - 12

Crop Acres		100			Enterprise	
REVENUE	Quantity	Units	\$/Unit	Total	Total	
Corn	140.00	Bushel	\$4.32	\$604.80	\$60,480.00	
Total Revenue				\$604.80	\$60,480.00	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise	
Production Costs						
Custom						
Custom Harvest Corn	140	Bushel	\$0.33	\$46.20	\$4,620.00	
Custom Haul Corn	140	Bushel	\$0.16	\$22.40	\$2,240.00	
Fertilizer						
UAN (32% N)	2.6	CWT	\$14.00	\$36.40	\$3,640.00	
Herbicide						
AAtrex 4L	2	Pint	\$2.35	\$4.71	\$470.80	
Seed						
Corn Seed	25	Thousand	\$2.61	\$65.25	\$6,525.00	
Miscellaneous						
Insurance, Corn	1	Acre	\$7.50	\$7.50	\$750.00	
Other Labor						
Unallocated Labor	0.4736	Hour	\$12.00	\$5.68	\$568.32	
Irrigation						
Water Cost	0.80	Acre/Foot	\$20.00	\$16.00	\$1,600.00	
Irrigation Labor	2.20	Hour	\$12.00	\$26.40	\$2,640.00	
Machinery Labor						
Tractors/Self-Propelled	1.02	Hour	\$12.00	\$12.24	\$1,224.00	
Diesel Fuel						
Tractors/Self-Propelled	5.75	Gallon	\$2.10	\$12.08	\$1,207.50	
Repairs & Maintenance						
Tractors/Self-Propelled	1	Acre	\$10.40	\$10.40	\$1,039.51	
Implements	1	Acre	\$13.98	\$13.98	\$1,397.69	
Interest on Credit Line			5.00%	\$4.00	\$399.71	
Total Variable Costs				\$283.23	\$28,322.53	
Planned Returns Above Variable Costs:				\$321.57	\$32,157.47	
Breakeven Price to Cover Variable Costs			\$2.02	Bushel		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise	
Machinery Depreciation						
Tractors/Self-Propelled	1	Acre	\$10.74	\$10.74	\$1,074.16	
Implements	1	Acre	\$16.30	\$16.30	\$1,630.41	
Equipment Investment						
Tractors/Self-Propelled	\$83.68	Dollars	7.00%	\$5.86	\$585.76	
Implements	\$78.80	Dollars	7.00%	\$5.52	\$551.59	
Total Fixed Costs				\$38.42	\$3,841.91	
Total Specified Costs				\$321.64	\$32,164.45	
Returns Above Specified Costs				\$283.16	\$28,315.55	
Breakeven Price to Cover Total Costs			\$2.30	Bushel		

Example Breakeven Prices			
Example Yield Percent	Example Yield Bushel	Price Needed to Cover Your Variable Costs	Price Needed to Cover Your Total Costs
75%	105.00	\$2.70	\$3.06
90%	126.00	\$2.25	\$2.55
100%	140.00	\$2.02	\$2.30
110%	154.00	\$1.84	\$2.09
125%	175.00	\$1.62	\$1.84

Developed by Samuel Zapata, Assistant Professor and Extension Economist, Texas A&M AgrLife 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.