

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

Crop Acres		100			
				Total	Enterprise Total
REVENUE					
	Quantity	Units	\$/Unit	Total	Enterprise Total
Sugar (10.5% of 50 Ton)	10,500.00	Pound	\$0.13	\$1,312.50	\$131,250.00
Total Revenue				\$1,312.50	\$131,250.00
VARIABLE COSTS					
				Total	Enterprise Total
Production Costs					
Custom					
Seed Cane Transport/Distribution	1	Acre	\$170.00	\$170.00	\$17,000.00
Seed Cane Covering	1	Acre	\$9.20	\$9.20	\$920.00
Fixed Harvesting - SC	1	Acre	\$160.00	\$160.00	\$16,000.00
Variable Harvesting - SC	50	Ton	\$3.50	\$175.00	\$17,500.00
Hauling - SC	50	Ton	\$3.20	\$160.00	\$16,000.00
Fertilizer					
Fertilizer 10-34-0	2.4	CWT	\$32.50	\$78.00	\$7,800.00
UAN (32% N)	3.3	CWT	\$14.00	\$46.20	\$4,620.00
Herbicide					
Atrazine 4L	6	Pint	\$1.81	\$10.86	\$1,086.00
Pendimethalin	9.6	Pint	\$5.81	\$55.78	\$5,577.60
Miscellaneous					
Insurance, Sugarcane	1	Acre	\$15.00	\$15.00	\$1,500.00
Seed					
Seed Cane	4.5	Ton	\$36.00	\$162.00	\$16,200.00
Other Labor					
Unallocated Labor	0.5	Hour	\$12.00	\$6.00	\$600.00
Irrigation					
Water Cost	5.50	Acre/Foot	\$20.00	\$110.00	\$11,000.00
Irrigation Labor	7.70	Hour	\$12.00	\$92.40	\$9,240.00
Machinery Labor					
Tractors/Self-Propelled	1.2	Hour	\$12.00	\$14.40	\$1,440.00
Diesel Fuel					
Tractors/Self-Propelled	5.83	Gallon	\$2.10	\$12.24	\$1,224.30
Repairs & Maintenance					
Tractors/Self-Propelled	1	Acre	\$10.54	\$10.54	\$1,054.23
Implements	1	Acre	\$10.34	\$10.34	\$1,033.83
Interest on Credit Line			5.00%	\$39.54	\$3,954.06
Total Variable Costs				\$1,337.50	\$133,750.02
Planned Returns Above Variable Costs:				(\$25.00)	(\$2,500.02)
Breakeven Price to Cover Variable Costs			\$0.13	Pound	
FIXED COSTS					
				Total	Enterprise Total
Machinery Depreciation					
Tractors/Self-Propelled	1	Acre	\$10.89	\$10.89	\$1,089.37
Implements	1	Acre	\$11.52	\$11.52	\$1,152.10
Equipment Investment					
Tractors/Self-Propelled	\$84.87	Dollars	7.00%	\$5.94	\$594.06
Implements	\$59.33	Dollars	7.00%	\$4.15	\$415.28
Allocated Establishment Cost	1	Acre	\$2.11	\$2.11	\$211.00
Cash Rent, Sugar Cane	1	Acre	\$110.00	\$110.00	\$11,000.00
Total Fixed Costs				\$144.62	\$14,461.80
Total Specified Costs				\$1,482.12	\$148,211.82
Returns Above Specified Costs				(\$169.62)	(\$16,961.82)
Breakeven Price to Cover Total Costs			\$0.14	Pound	

Example Breakeven Prices			
Example Yield Percent	Example Yield Pound	Price Needed to Cover Your Variable Costs	Price Needed to Cover Your Total Costs
75%	7875.00	\$0.17	\$0.19
90%	9450.00	\$0.14	\$0.16
100%	10500.00	\$0.13	\$0.14
110%	11550.00	\$0.12	\$0.13
125%	13125.00	\$0.10	\$0.11

Developed by Samuel Zapata, Assistant 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.