

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2018 Estimated Costs and Returns per Acre
Canola, Dryland, 1500 lb. Yield Goal
Coastal Bend Extension District - 11

Crop Acres		500			
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Canola	1,500.00	Pound	\$0.16	\$240.00	\$120,000.00
Total Revenue				\$240.00	\$120,000.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Custom					
Fertilizer Application LC	1	Acre	\$5.25	\$5.25	\$2,625.00
Custom Haul - Canola	15	CWT	\$0.75	\$11.25	\$5,625.00
Fertilizer					
32-11-3 6S	0.12	Ton	\$334.00	\$40.08	\$20,040.00
Herbicide					
Glyphosate (Generic)	2	Quart	\$4.25	\$8.50	\$4,250.00
Insecticide					
Aphid Control	20	Ounce	\$2.03	\$40.60	\$20,300.00
Miscellaneous					
Pickup Milage Charge	1	Acre	\$3.88	\$3.88	\$1,940.00
Crop Insurance -Canola	1	Acre	\$16.70	\$16.70	\$8,350.00
Seed					
Roundup Ready Canola Seed	4	Pound	\$5.80	\$23.20	\$11,600.00
Other Labor					
Hand Labor	0.018	Hour	\$16.00	\$0.29	\$144.00
Machinery Labor					
Tractors/Self-Propelled	0.59	Hour	\$19.50	\$11.51	\$5,752.50
Diesel Fuel					
Tractors/Self-Propelled	6.79	Gallon	\$2.30	\$15.62	\$7,808.50
Repairs & Maintenance					
Tractors/Self-Propelled	1	Acre	\$22.43	\$22.43	\$11,215.32
Implements	1	Acre	\$14.72	\$14.72	\$7,361.67
Interest on Credit Line			5.50%	\$5.72	\$2,858.30
Total Variable Costs				\$219.74	\$109,870.29
Planned Returns Above Variable Costs:				\$20.26	\$10,129.71
Breakeven Price to Cover Variable Costs			\$0.15	Pound	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Tractors/Self-Propelled	1	Acre	\$24.99	\$24.99	\$12,496.35
Implements	1	Acre	\$18.07	\$18.07	\$9,033.62
Equipment Investment					
Tractors/Self-Propelled	\$190.05	Dollars	6.00%	\$11.40	\$5,701.58
Implements	\$95.01	Dollars	6.00%	\$5.70	\$2,850.30
Management Fee, Owner/Operator Labor	1	Acre	\$12.00	\$12.00	\$6,000.00
LCB - Land Charge	1	Acre	\$70.00	\$70.00	\$35,000.00
Total Fixed Costs				\$142.16	\$71,081.85
Total Specified Costs				\$361.90	\$180,952.14
Returns Above Specified Costs				(\$121.90)	(\$60,952.14)
Breakeven Price to Cover Total Costs			\$0.24	Pound	

Example Breakeven Prices			
Example Yield Percent	Example Yield Pound	To Cover Variable Costs	To Cover Total Costs
75%	1125.00	\$0.20	\$0.32
90%	1350.00	\$0.16	\$0.27
100%	1500.00	\$0.15	\$0.24
110%	1650.00	\$0.13	\$0.22
125%	1875.00	\$0.12	\$0.19

Developed by Extension Economists, Texas A&M AgriLife Extension Service, budgets@tamu.edu.

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.