

Projections for Planning Purposes Only -- Not to be Used without Updating
2018 Estimated Costs and Returns per Acre
Cotton - Genetically Modified Seed, Conv. Till-24 Row, Dryland, 800 lb. Yield Goal - Lower Coast
Coastal Bend Extension District - 11

Crop Acres		500				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	
Cotton Lint	800.00	Pound	\$0.63	\$504.00	\$252,000.00	
Cottonseed	0.58	Ton	\$120.00	\$69.60	\$34,800.00	
Total Revenue				\$573.60	\$286,800.00	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total	
Production Costs						
Custom						
Fertilizer Application	1	CWT	\$0.10	\$0.10	\$50.00	
Pick and Module	800	Pound	\$0.14	\$112.00	\$56,000.00	
Ginning - Picker	800	Pound	\$0.13	\$100.00	\$50,000.00	
Fertilizer						
24-8-0	0.1665	Ton	\$222.00	\$36.96	\$18,481.50	
Herbicide						
Glyphosate	3	Quart	\$5.50	\$16.50	\$8,250.00	
Trifluralin	32	Ounce	\$0.17	\$5.44	\$2,720.00	
2, 4D Amine	2	Pint	\$2.25	\$4.50	\$2,250.00	
Insecticide						
Fleahopper Control LC	3.2	Ounce	\$1.25	\$4.00	\$2,000.00	
Miscellaneous						
Boll Weevil Program LC	1.6	Bale	\$3.50	\$5.60	\$2,800.00	
Crop Insurance -Cotton LC	1	Acre	\$17.79	\$17.79	\$8,895.00	
Pickup Milage Charge	1	Acre	\$3.88	\$3.88	\$1,940.00	
Seed						
Cotton Seed - B2RF	40	Thousand	\$0.62	\$24.95	\$12,476.00	
Cotton Seed - Insect Treatment	40	Thousand	\$0.17	\$6.80	\$3,400.00	
Tech Fee - B2RF	1	Acre	\$43.16	\$43.16	\$21,580.00	
Other Chemicals						
Generic PIX	5	Ounce	\$0.07	\$0.35	\$175.00	
Defoliant - Picker	0.6	Ounce	\$0.74	\$0.44	\$222.00	
Silicone Surfactant	1.6	Ounce	\$0.70	\$1.12	\$560.00	
Other Labor						
Hand Labor	0.08	Hour	\$16.00	\$1.28	\$640.00	
Machinery Labor						
Tractors/Self-Propelled	0.5	Hour	\$19.50	\$9.75	\$4,875.00	
Diesel Fuel						
Tractors/Self-Propelled	6.48	Gallon	\$2.30	\$14.90	\$7,452.00	
Repairs & Maintenance						
Tractors/Self-Propelled	1	Acre	\$16.15	\$16.15	\$8,075.04	
Implements	1	Acre	\$14.02	\$14.02	\$7,012.37	
Interest on Credit Line			5.50%	\$8.15	\$4,077.35	
Total Variable Costs				\$447.86	\$223,931.26	
Planned Returns Above Variable Costs:				\$125.74	\$62,868.74	
Breakeven Price to Cover Variable Costs			\$0.47	Pound		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total	
Machinery Depreciation						
Tractors/Self-Propelled	1	Acre	\$21.73	\$21.73	\$10,863.38	
Implements	1	Acre	\$18.77	\$18.77	\$9,384.35	
Equipment Investment						
Tractors/Self-Propelled	\$166.92	Dollars	6.00%	\$10.02	\$5,007.52	
Implements	\$81.10	Dollars	6.00%	\$4.87	\$2,433.11	
Management Fee, Owner/Operator Labor	1	Acre	\$28.68	\$28.68	\$14,340.00	
LCB - Land Charge	1	Acre	\$70.00	\$70.00	\$35,000.00	
Total Fixed Costs				\$154.06	\$77,028.36	
Total Specified Costs				\$601.92	\$300,959.62	
Returns Above Specified Costs				(\$28.32)	(\$14,159.62)	
Breakeven Price to Cover Total Costs			\$0.67	Pound		

Example Breakeven Prices			
Example Yield Percent	Example Yield Pound	To Cover Variable Costs	To Cover Total Costs
75%	600.00	\$0.63	\$0.89
90%	720.00	\$0.53	\$0.74
100%	800.00	\$0.47	\$0.67
110%	880.00	\$0.43	\$0.60
125%	1000.00	\$0.38	\$0.53

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.