

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

Crop Acres	Your Acres		Units	\$/Unit	Your \$/Unit	Total	Your Total	Enterprise Total
	Quantity	Quantity						
REVENUE								
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								
Production Costs								
Custom								
Fertilizer Application	1		CWT	\$0.10		\$0.10		\$50.00
Hand Hoeing	1		Acre	\$10.00		\$10.00		\$5,000.00
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								
Trifluralin	2.5		Ounce	\$0.17		\$0.43		\$212.50
Cotton PreEmerge Herbicide	1		Quart	\$12.00		\$12.00		\$6,000.00
Cotton Early Season Herbicide	0.1		Ounce	\$1.03		\$0.10		\$51.50
Cotton Mid Season Herbicide	16		Ounce	\$0.21		\$3.36		\$1,680.00
2, 4D Amine	2		Pint	\$2.25		\$4.50		\$2,250.00
Seed								
Cotton Seed	52.8		Thousand	\$0.74		\$39.07		\$19,536.00
Cotton Seed - Insect Treatment	52.8		Thousand	\$0.17		\$8.98		\$4,488.00
Insecticide								
Flea hopper Control LC	3.2		Ounce	\$1.25		\$4.00		\$2,000.00
Boilworm Control	2.5		Ounce	\$2.03		\$5.08		\$2,537.50
TBW-BAW-AW-BW Control	9		Ounce	\$2.03		\$18.27		\$9,135.00
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
Other Chemicals								
Desiccant/Defoliant	2.5		Ounce	\$0.74		\$1.85		\$925.00
C. O. C.	0.8		Pint	\$1.84		\$1.47		\$736.00
Generic PIX	32		Ounce	\$0.07		\$2.24		\$1,120.00
Defoliant - Picker	3.2		Ounce	\$0.74		\$2.37		\$1,184.00
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	0.62		Hour	\$19.50		\$12.09		\$6,045.00
Diesel Fuel								
Tractors/Self-Propelled	7.72		Gallon	\$2.30		\$17.76		\$8,878.00
Repairs & Maintenance								
Tractors/Self-Propelled	1		Acre	\$18.43		\$18.43		\$9,215.03
Implements	1		Acre	\$15.17		\$15.17		\$7,586.01
Interest on Credit Line				5.50%		\$7.83		\$3,915.01
Total Variable Costs						\$463.72		\$231,861.05
Planned Returns Above Variable Costs:						\$109.88		\$54,938.95
Breakeven Price to Cover Variable Costs				\$0.49	n/a	Pound		
FIXED COSTS								
Machinery Depreciation								
Tractors/Self-Propelled	1		Acre	\$25.76		\$25.76		\$12,881.10
Implements	1		Acre	\$20.06		\$20.06		\$10,029.69
Equipment Investment								
Tractors/Self-Propelled	\$197.57		Dollars	6.00%		\$11.85		\$5,927.23
Implements	\$86.62		Dollars	6.00%		\$5.20		\$2,598.74
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						\$161.55		\$80,776.76
Total Specified Costs						\$625.28		\$312,637.81
Returns Above Specified Costs						(\$51.68)		(\$25,837.81)
Breakeven Price to Cover Total Costs				\$0.69	n/a	Pound		

Example Breakeven Prices			
Example Yield Percent	Example Yield Pound	To Cover Variable Costs	To Cover Total Costs
75%	600.00	\$0.66	\$0.93
90%	720.00	\$0.55	\$0.77
100%	800.00	\$0.49	\$0.69
110%	880.00	\$0.45	\$0.63
125%	1000.00	\$0.39	\$0.56

Your Breakeven Prices			
Your Yield Percent	Your Yield Pound	To Cover Variable Costs	To Cover Total Costs
75%	0.00	\$0.00	\$0.00
90%	0.00	\$0.00	\$0.00
100%	0.00	\$0.00	\$0.00
110%	0.00	\$0.00	\$0.00
125%	0.00	\$0.00	\$0.00

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 mentioned only as examples and imply no endorsement.