

Projections for Planning Purposes Only -- Not to be Used without Updating
2019 Estimated Costs and Returns per Acre
Cotton - GMO Seed, Conv. Till-12 Row, Dryland, 900 lb. Yield Goal
Coastal Bend Extension District - 11

Crop Acres		500			Enterprise	
REVENUE	Quantity	Units	\$/Unit	Total	Total	Enterprise Total
Cotton Lint	900.00	Pound	\$0.66	\$594.00	\$297,000.00	\$297,000.00
Cottonseed	0.62	Ton	\$125.00	\$77.63	\$38,812.50	\$38,812.50
Total Revenue				\$671.63	\$335,812.50	\$335,812.50
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise Total
Production Costs						
Seed						
Cotton Seed - B2RF	40	Thousand	\$1.84	\$73.60	\$36,800.00	\$36,800.00
Tech Fee - B2RF	1	Acre	\$0.00	\$0.00	\$0.00	\$0.00
Fertilizer						
24-8-0`	0.1875	Ton	\$264.00	\$49.50	\$24,750.00	\$24,750.00
Custom						
Pick and Module	900	Pound	\$0.14	\$126.00	\$63,000.00	\$63,000.00
Ginning - Picker	900	Pound	\$0.13	\$112.50	\$56,250.00	\$56,250.00
Miscellaneous						
Crop Insurance -Cotton UC	1	Acre	\$10.28	\$10.28	\$5,139.00	\$5,139.00
Boll Weevil Program UC	1.8	Bale	\$3.50	\$6.30	\$3,150.00	\$3,150.00
Pickup Milage Charge	1	Acre	\$3.88	\$3.88	\$1,940.00	\$1,940.00
Insecticide						
Fleahopper Control UC	1.6	Ounce	\$1.08	\$1.73	\$864.00	\$864.00
Stinkbug Control	8	Ounce	\$0.33	\$2.64	\$1,320.00	\$1,320.00
Herbicide						
Glyphosate (Generic)	2	Quart	\$3.38	\$6.76	\$3,380.00	\$3,380.00
2, 4D Amine`	2	Pint	\$1.43	\$2.86	\$1,430.00	\$1,430.00
Cotton Early Season Herbicide	2	Quart	\$16.24	\$32.48	\$16,240.00	\$16,240.00
Other Chemicals						
Surfactant	0.2	Pint	\$1.39	\$0.28	\$139.00	\$139.00
Generic PIX	32	Ounce	\$0.06	\$1.92	\$960.00	\$960.00
Defoliant - Picker	4	Ounce	\$1.05	\$4.20	\$2,100.00	\$2,100.00
Ethephon	1.6	Ounce	\$0.15	\$0.24	\$120.00	\$120.00
Other Labor						
Hand Labor	0.46	Hour	\$16.00	\$7.36	\$3,680.00	\$3,680.00
Machinery Labor						
Tractors/Self-Propelled	0.77	Hour	\$19.50	\$15.02	\$7,507.50	\$7,507.50
Diesel Fuel						
Tractors/Self-Propelled	9.25	Gallon	\$2.46	\$22.76	\$11,377.50	\$11,377.50
Repairs & Maintenance						
Tractors/Self-Propelled	1	Acre	\$20.20	\$20.20	\$10,097.95	\$10,097.95
Implements	1	Acre	\$12.57	\$12.57	\$6,285.39	\$6,285.39
Interest on Credit Line			6.75%	\$13.88	\$6,939.52	\$6,939.52
Total Variable Costs				\$526.94	\$263,469.86	\$263,469.86
Planned Returns Above Variable Costs:				\$144.69	\$72,342.64	\$72,342.64
Breakeven Price to Cover Variable Costs			\$0.50	Pound		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise Total
Machinery Depreciation						
Tractors/Self-Propelled	1	Acre	\$27.52	\$27.52	\$13,762.21	\$13,762.21
Implements	1	Acre	\$16.02	\$16.02	\$8,009.65	\$8,009.65
Equipment Investment						
Tractors/Self-Propelled	\$208.91	Dollars	6.00%	\$12.53	\$6,267.40	\$6,267.40
Implements	\$74.30	Dollars	6.00%	\$4.46	\$2,228.90	\$2,228.90
Management Fee, Owner/Operator Labor	1	Acre	\$33.58	\$33.58	\$16,790.63	\$16,790.63
UCB - Land Charge	1	Acre	\$85.00	\$85.00	\$42,500.00	\$42,500.00
Total Fixed Costs				\$179.12	\$89,558.78	\$89,558.78
Total Specified Costs				\$706.06	\$353,028.64	\$353,028.64
Returns Above Specified Costs				(\$34.43)	(\$17,216.14)	(\$17,216.14)
Breakeven Price to Cover Total Costs			\$0.70	Pound		

Example Breakeven Prices			
Example Yield Percent	Example Yield Pound	To Cover Variable Costs	To Cover Total Costs
75%	675.00	\$0.67	\$0.93
90%	810.00	\$0.55	\$0.78
100%	900.00	\$0.50	\$0.70
110%	990.00	\$0.45	\$0.63
125%	1125.00	\$0.40	\$0.56

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.