

Projections for Planning Purposes Only -- Not to be Used without Updating
2019 Estimated Costs and Returns per Acre
Dryland Cotton
Southwest Extension District - 10

Crop Acres		100		Enterprise	
REVENUE	Quantity	Units	\$/Unit	Total	Total
Cotton Lint	400.00	Pound	\$0.62	\$248.00	\$24,800.00
Cottonseed	680.00	Pound	\$0.11	\$74.80	\$7,480.00
Total Revenue				\$322.80	\$32,280.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Custom					
Custom Apply Fertilizer	1	Acre	\$4.00	\$4.00	\$400.00
Gin, Bag, Tie - CWT	10.8	CWT	\$3.00	\$32.40	\$3,240.00
Fertilizer					
UAN(32% N)	1.26	CWT	\$13.00	\$16.38	\$1,638.00
Fertilizer 18-46-0	54	Pound	\$0.29	\$15.66	\$1,566.00
Herbicide					
Glyphosate	1.4	Pint	\$2.25	\$3.15	\$315.00
Prowl H2O	2	Pint	\$5.75	\$11.50	\$1,150.00
Insecticide					
Karate Z	1	Ounce	\$0.81	\$0.81	\$81.00
Miscellaneous					
Crop Insurance - Cotton Dry	1	Acre	\$19.00	\$19.00	\$1,900.00
Boll Weevil Eradication Program	1	Acre	\$7.00	\$7.00	\$700.00
Seed					
Cotton Seed BIIRRF	35	Thousand	\$1.52	\$53.20	\$5,320.00
Other Chemicals					
Gramoxone SL	24	Ounce	\$0.24	\$5.76	\$576.00
Aim	0.75	Ounce	\$4.84	\$3.63	\$363.00
Crop Oil Concentrate	0.25	Pint	\$2.53	\$0.63	\$63.25
Machinery Labor					
Tractors/Self-Propelled	1.55	Hour	\$12.00	\$18.60	\$1,860.00
Other Labor	0.5	Hour	\$8.50	\$4.25	\$425.00
Diesel Fuel					
Tractors/Self-Propelled	12.97	Gallon	\$2.99	\$38.78	\$3,878.03
Gasoline					
Pickup/General Use Equipment	1	Acre	\$27.96	\$27.96	\$2,796.36
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$4.84	\$4.84	\$483.84
Tractors/Self-Propelled	1	Acre	\$28.64	\$28.64	\$2,863.79
Implements	1	Acre	\$15.68	\$15.68	\$1,567.57
Interest on Credit Line			6.50%	\$8.68	\$868.33
Total Variable Costs				\$320.55	\$32,055.16
Planned Returns Above Variable Costs:				\$2.25	\$224.84
Breakeven Price to Cover Variable Costs			\$0.61	Pound	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$25.20	\$25.20	\$2,520.00
Tractors/Self-Propelled	1	Acre	\$35.20	\$35.20	\$3,519.53
Implements	1	Acre	\$20.17	\$20.17	\$2,017.03
Equipment Investment					
Pickup/General Use Equipment	\$105.00	Dollars	6.50%	\$6.83	\$682.50
Tractors/Self-Propelled	\$306.36	Dollars	6.50%	\$19.91	\$1,991.36
Implements	\$122.57	Dollars	6.50%	\$7.97	\$796.72
Dryland Winter Garden Rent	1	Acre	\$20.00	\$20.00	\$2,000.00
Total Fixed Costs				\$135.27	\$13,527.14
Total Specified Costs				\$455.82	\$45,582.30
Returns Above Specified Costs				(\$133.02)	(\$13,302.30)
Breakeven Price to Cover Total Costs			\$0.95	Pound	

Example Breakeven Prices			
Example Yield Percent	Example Yield Pound	To Cover Variable Costs	To Cover Total Costs
75%	300.00	\$0.82	\$1.27
90%	360.00	\$0.68	\$1.06
100%	400.00	\$0.61	\$0.95
110%	440.00	\$0.56	\$0.87
125%	500.00	\$0.49	\$0.76

Developed by Rob Hogan, Associate Professor and Extension Economist, Texas A&M AgriLife Extension, 830-278-9151.

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.