

Projections for Planning Purposes Only – Not to be Used without Updating
2019 Estimated Costs and Returns per Acre
Cotton, Conventional Tillage, Furrow Irrigated, Rio Grande Valley
South Extension District - 12

Crop Acres		100			
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Cotton Lint	975.00	Pound	\$0.66	\$643.50	\$64,350.00
Cottonseed	0.69	Ton	\$144.00	\$99.96	\$9,996.48
Total Revenue				\$743.46	\$74,346.48
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Custom					
Insect Scouting	1	Acre	\$10.00	\$10.00	\$1,000.00
Apply by Air - 3 Gallons	3	Application	\$7.46	\$22.38	\$2,238.00
Custom Harvest Cotton	975	Pound	\$0.13	\$126.75	\$12,675.00
Custom Haul Cotton	975	Pound	\$0.15	\$146.25	\$14,625.00
Gin	975	Pound	\$0.12	\$117.00	\$11,700.00
Fertilizer					
UAN (32% N)	2.5	CWT	\$15.25	\$38.13	\$3,812.50
Herbicide					
Trifluralin 4EC	2	Pint	\$3.65	\$7.30	\$730.09
2, 4-D Amine	1	Pint	\$1.75	\$1.75	\$175.00
Insecticide					
Vydate C-LV	8.5	Ounce	\$0.97	\$8.22	\$822.12
Entrust	2	Ounce	\$13.00	\$26.00	\$2,600.00
Miscellaneous					
Insurance, Cotton	1	Acre	\$48.24	\$48.24	\$4,824.00
Seed					
Cotton Seed	50	Thousand	\$0.64	\$32.00	\$3,200.00
Other Chemicals					
Mepiquat	12	Ounce	\$0.13	\$1.56	\$156.00
Thidiazuron	5.4	Ounce	\$1.21	\$6.53	\$653.40
Surfactant	1	Pint	\$5.35	\$5.35	\$535.00
Other Labor					
Unallocated Labor	1.2856	Hour	\$12.00	\$15.43	\$1,542.72
Irrigation					
Water Cost	0.80	Acre/Foot	\$20.00	\$16.00	\$1,600.00
Irrigation Labor	1.10	Hour	\$12.00	\$13.20	\$1,320.00
Machinery Labor					
Tractors/Self-Propelled	1.59	Hour	\$12.00	\$19.08	\$1,908.00
Other Labor	0.28	Hour	\$12.00	\$3.36	\$336.00
Diesel Fuel					
Tractors/Self-Propelled	10.41	Gallon	\$2.30	\$23.94	\$2,394.30
Repairs & Maintenance					
Tractors/Self-Propelled	1	Acre	\$22.29	\$22.29	\$2,228.91
Implements	1	Acre	\$17.15	\$17.15	\$1,714.74
Interest on Credit Line			5.00%	\$5.67	\$566.86
Total Variable Costs				\$733.58	\$73,357.63
Planned Returns Above Variable Costs:				\$9.89	\$988.85
Breakeven Price to Cover Variable Costs			\$0.65	Pound	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Tractors/Self-Propelled	1	Acre	\$24.00	\$24.00	\$2,400.26
Implements	1	Acre	\$21.18	\$21.18	\$2,117.75
Equipment Investment					
Tractors/Self-Propelled	\$186.54	Dollars	7.00%	\$13.06	\$1,305.76
Implements	\$117.41	Dollars	7.00%	\$8.22	\$821.85
Cash Rent, Irrigated	1	Acre	\$85.00	\$85.00	\$8,500.00
Total Fixed Costs				\$151.46	\$15,145.62
Total Specified Costs				\$885.03	\$88,503.25
Returns Above Specified Costs				(\$141.57)	(\$14,156.77)
Breakeven Price to Cover Total Costs			\$0.81	Pound	

Example Breakeven Prices

Example Yield Percent	Example Yield Pound	To Cover Variable Costs	To Cover Total Costs
75%	731.25	\$0.87	\$1.07
90%	877.50	\$0.72	\$0.89
100%	975.00	\$0.65	\$0.81
110%	1072.50	\$0.59	\$0.73
125%	1218.75	\$0.52	\$0.64

Developed by Samuel Zapata, Assistant Professor and Extension Economist, Texas A&M AgriLife Extension, 956-968-5581.

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.