

Projections for Planning Purposes Only -- Not to be Used without Updating
2020 Estimated Costs and Returns per Acre
Cotton, Reduced Tillage, GMO, Furrow Irrigated, Rio Grande Valley
South Extension District - 12

Crop Acres		100		Enterprise	
REVENUE	Quantity	Units	\$/Unit	Total	Total
Cotton Lint	1,250.00	Pound	\$0.66	\$825.00	\$82,500.00
Cottonseed	0.89	Ton	\$144.00	\$128.16	\$12,816.00
Total Revenue				\$953.16	\$95,316.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Custom					
Insect Scouting	1	Acre	\$10.00	\$10.00	\$1,000.00
Custom Harvest Cotton	1250	Pound	\$0.13	\$162.50	\$16,250.00
Gin	1250	Pound	\$0.12	\$150.00	\$15,000.00
Fertilizer					
UAN (32% N)	3.93	CWT	\$15.25	\$59.93	\$5,993.25
Herbicide					
Glyphosate	3.75	Pint	\$1.56	\$5.86	\$585.94
Harmony Extra	0.6	Ounce	\$15.10	\$9.06	\$905.77
2, 4-D Amine	2	Pint	\$1.75	\$3.50	\$350.00
Insecticide					
Centric	2.5	Ounce	\$5.52	\$13.80	\$1,380.00
Sivanto	10.5	Ounce	\$2.30	\$24.15	\$2,415.00
Transform	1	Ounce	\$7.80	\$7.80	\$780.00
Miscellaneous					
BW Eradication Program - Irr	1	Acre	\$28.00	\$28.00	\$2,800.00
Insurance, Cotton - Non-irrigated	1	Acre	\$22.00	\$22.00	\$2,200.00
Seed					
Cotton Seed	50	Thousand	\$1.52	\$76.09	\$7,608.70
Other Chemicals					
Mepiquat	24	Ounce	\$0.13	\$3.12	\$312.00
Thidiazuron	4	Ounce	\$1.21	\$4.84	\$484.00
Surfactant	0.5	Pint	\$5.35	\$2.68	\$267.50
Ethephon	21	Ounce	\$0.23	\$4.83	\$482.51
Other Labor					
Unallocated Labor	0.88	Hour	\$12.00	\$10.56	\$1,056.00
Irrigation					
Water Cost	1.20	Acre/Foot	\$20.00	\$24.00	\$2,400.00
Irrigation Labor	3.30	Hour	\$12.00	\$39.60	\$3,960.00
Machinery Labor					
Tractors/Self-Propelled	1.55	Hour	\$12.00	\$18.60	\$1,860.00
Other Labor	0.36	Hour	\$12.00	\$4.32	\$432.00
Diesel Fuel					
Tractors/Self-Propelled	9.29	Gallon	\$2.30	\$21.37	\$2,136.70
Repairs & Maintenance					
Tractors/Self-Propelled	1	Acre	\$16.55	\$16.55	\$1,655.30
Implements	1	Acre	\$12.67	\$12.67	\$1,267.35
Interest on Credit Line			5.00%	\$8.68	\$868.36
Total Variable Costs				\$744.50	\$74,450.37
Planned Returns Above Variable Costs:				\$208.66	\$20,865.63
Breakeven Price to Cover Variable Costs			\$0.49	Pound	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Tractors/Self-Propelled	1	Acre	\$24.81	\$24.81	\$2,481.40
Implements	1	Acre	\$15.55	\$15.55	\$1,554.94
Equipment Investment					
Tractors/Self-Propelled	\$189.73	Dollars	7.00%	\$13.28	\$1,328.09
Implements	\$94.78	Dollars	7.00%	\$6.63	\$663.48
Cash Rent, Irrigated	1	Acre	\$85.00	\$85.00	\$8,500.00
Total Fixed Costs				\$145.28	\$14,527.91
Total Specified Costs				\$889.78	\$88,978.28
Returns Above Specified Costs				\$63.38	\$6,337.72
Breakeven Price to Cover Total Costs			\$0.61	Pound	

Example Breakeven Prices				
Example Yield Percent	Example Yield Pound	To Cover Variable Costs	To Cover Total Costs	
75%	937.50	\$0.66	\$0.81	
90%	1125.00	\$0.55	\$0.68	
100%	1250.00	\$0.49	\$0.61	
110%	1375.00	\$0.45	\$0.55	
125%	1562.50	\$0.39	\$0.49	

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.