Projections for Planning Purposes Only -- Not to be Used without Updating
2020 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				
REVENUE	Quantity	Units	$/Unit	Total	Enterprise Total
Cotton Lint	900.00	Pound	$0.66	$594.00	$297,000.00
Cottonseed	0.62	Ton	$150.00	$93.15	$46,575.00
Total Revenue				$687.15	$343,575.00
VARIABLE COSTS	Quantity	Units	$/Unit	Total	Enterprise Total
Production Costs					
Seed					
Cotton Seed - B2RF	40	Thousand	$1.84	$73.60	$36,800.00
Tech Fee - B2RF	1	Acre	$0.00	$0.00	$0.00
Fertilizer					
24-8-0`	0.1875	Ton	$264.00	$49.50	$24,750.00
Custom					
Pick and Module	900	Pound	$0.14	$126.00	$63,000.00
Ginning - Picker	900	Pound	$0.13	$112.50	$56,250.00
Miscellaneous					
Crop Insurance -Cotton UC	1	Acre	$10.28	$10.28	$5,139.00
Boll Weevil Program UC	1.8	Bale	$3.50	$6.30	$3,150.00
Pickup Milage Charge	1	Acre	$3.88	$3.88	$1,940.00
Insecticide					
Fleahopper Control UC	1.6	Ounce	$1.08	$1.73	$864.00
Stinkbug Control	8	Ounce	$0.33	$2.64	$1,320.00
Herbicide					
Glyphosate (Generic)	2	Quart	$3.38	$6.76	$3,380.00
2, 4D Amine`	2	Pint	$1.43	$2.86	$1,430.00
Cotton Early Season Herbicide	2	Quart	$16.24	$32.48	$16,240.00
Other Chemicals					
Surfactant	0.2	Pint	$1.39	$0.28	$139.00
Generic PIX	32	Ounce	$0.06	$1.92	$960.00
Defoliants - Picker	4	Ounce	$1.05	$4.20	$2,100.00
Ethephon	1.6	Ounce	$0.15	$0.24	$120.00
Other Labor					
Hand Labor	0.46	Hour	$16.00	$7.36	$3,680.00
Machinery Labor					
Tractors/Self-Propelled	0.77	Hour	$19.50	$15.02	$7,507.50
Diesel Fuel					
Tractors/Self-Propelled	9.25	Gallon	$2.20	$20.35	$10,175.00
Repairs & Maintenance					
Tractors/Self-Propelled	1	Acre	$21.16	$21.16	$10,579.65
Implements	1	Acre	$16.16	$16.16	$8,081.91
Interest on Credit Line			6.00%	$12.43	$6,215.18
Total Variable Costs				$527.64	$263,821.24
Planned Returns Above Variable Costs:				$159.51	$79,753.76
Breakeven Price to Cover Variable Costs			$0.48	Pound	
FIXED COSTS	Quantity	Units	$/Unit	Total	Enterprise Total
Machinery Depreciation					
Tractors/Self-Propelled	1	Acre	$28.73	$28.73	$14,363.93
Implements	1	Acre	$20.13	$20.13	$10,065.70
Equipment Investment					
Tractors/Self-Propelled	$218.08	Dollars	6.00%	$13.08	$6,542.47
Implements	$98.00	Dollars	6.00%	$5.88	$2,939.89
Management Fee, Owner/Operator Labor	1	Acre	$34.36	$34.36	$17,178.75
UCB - Land Charge	1	Acre	$85.00	$85.00	$42,500.00
Total Fixed Costs				$187.18	$93,590.74
Total Specified Costs				$714.82	$357,411.98
Returns Above Specified Costs				($27.67)	($13,836.98)
Breakeven Price to Cover Total Costs			$0.69	Pound	

Example Breakeven Prices

Example Yield Percent	Example Yield Pound	To Cover Variable Costs	To Cover Total Costs
75%	675.00	$0.64	$0.92
90%	810.00	$0.54	$0.77
100%	900.00	$0.48	$0.69
110%	990.00	$0.44	$0.63
125%	1125.00	$0.39	$0.55

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.