

**CORN AND SOYBEANS: Production Costs and Returns,  
Heartland Region, 2002-2003 1/**

Item	Corn		Soybeans	
	2002	2003	2002	2003
	<u>Dollars Per Planted Acre</u>		<u>Dollars Per Planted Acre</u>	
<b>Gross value of production</b> (excluding direct Government payments)				
Total gross value of production	327.93	331.06	225.59	237.02
<b>Operating costs</b>				
Seed	31.60	34.89	25.72	27.78
Fertilizer, lime, and gypsum	37.24	45.00	6.47	6.87
Soil conditioners	0.09	0.09	0.09	0.09
Manure	1.37	1.60	0.41	0.48
Chemicals	26.22	26.50	17.29	17.40
Custom operations 2/	9.69	10.09	5.35	5.48
Fuel, lube, and electricity	15.28	18.81	5.72	7.16
Repairs	12.35	12.63	8.62	8.73
Interest on operating capital	1.13	0.79	0.59	1.39
Total operating costs	134.97	150.40	70.26	75.38
<b>Allocated overhead</b>				
Hired labor	2.19	2.30	1.19	1.24
Opportunity cost of unpaid labor	23.03	23.79	14.57	15.09
Capital recovery of machinery and equipment	51.87	53.06	40.22	40.68
Opportunity cost of land (rental rate)	98.83	100.28	94.12	95.93
Taxes and insurance	5.07	5.19	5.75	5.89
General farm overhead	10.69	10.93	11.81	12.10
Total allocated overhead	191.68	195.55	167.66	170.93
Total costs listed	326.65	345.95	237.92	246.31
<b>Value of production less total costs listed</b>	1.28	-14.89	-12.33	-9.29
<b>Value of production less operating costs</b>	192.96	180.66	155.33	161.64
<b>Supporting information</b>				
Yield (bu./planted acre)	142	157	43	36
Price (dollars per bushel at harvest)	2.30	2.10	5.19	6.57
Enterprise size (planted acres) 3/	270	270	280	280
<b>Production practices 3/</b>				
Irrigated (percent)	5	5	5	5
Dryland (percent)	95	95	95	95

1/ The Heartland Region includes portions of South Dakota, Nebraska, Iowa, Missouri, Illinois, Indiana, Ohio, and Minnesota's Ag. Statistics Districts 4, 7, 8, and 9. Minnesota is also part of the Northern Crescent and Northern Great Plains Regions. Information is available about the Northern Crescent and Northern Great Plains Regions on the ERS websites listed below.

2/ Cost of custom operations, technical services, and commercial drying.

3/ Developed from survey base year 2001 for corn. Developed from base year 1997 for soybeans.

Source: Economic Research Service, United States Department of Agriculture, Washington, D.C.  
Internet Web Site ([www.ers.usda.gov/data](http://www.ers.usda.gov/data))