

**CORN AND SOYBEANS: Production Costs and Returns,
Heartland Region, Excluding Government Payments, 2004-2005 1/ 2/**

Item	Corn		Soybeans	
	2004	2005	2004	2005
	<u>Dollars Per Planted Acre</u>		<u>Dollars Per Planted Acre</u>	
Gross value of production (excluding direct Government payments)				
Total gross value of production	375.31	286.30	272.08	282.09
Operating Costs				
Seed	37.05	39.72	29.56	32.59
Fertilizer, lime, and gypsum	48.90	58.59	7.59	9.55
Soil conditioners	0.10	0.10	0.10	0.09
Manure	1.74	2.10	0.51	0.62
Chemicals	27.11	27.18	16.61	14.00
Custom operations 3/	10.53	10.76	5.53	5.75
Fuel, lube, and electricity	25.41	30.19	7.72	11.14
Repairs	13.82	14.36	9.64	10.08
Interest on operating capital	1.26	3.08	0.61	1.41
Total operating cost	165.92	186.08	77.87	85.23
Allocated overhead				
Hired labor	2.30	2.37	1.27	1.29
Opportunity cost of unpaid labor	24.28	24.58	15.14	15.63
Capital recovery of machinery and equipment	58.11	60.39	44.92	46.99
Opportunity cost of land (rental rate)	103.58	106.90	98.97	102.09
Taxes and insurance	5.24	5.45	5.95	6.15
General farm overhead	11.17	11.61	12.35	12.97
Total allocated overhead	204.68	211.30	178.60	185.12
Total cost listed	370.60	397.38	256.47	270.35
Value of production less total costs listed	4.71	-111.08	15.61	11.74
Value of production less operating costs	209.39	100.22	194.21	196.86
Supporting information				
Yield (bu./planted acre)	178	161	49	49
Price (dollars per bushel at harvest)	2.10	1.77	5.58	5.70
Enterprise size (planted acres) 1/	270	270	280	280
Production practices 1/				
Irrigated (percent)	5	5	5	5
Dryland (percent)	95	95	95	95

1/ Developed from survey base year 2001 for corn. Developed from survey base year 2002 for soybeans.

2/ 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.

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

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