

**CORN AND SOYBEANS: Production Costs and Returns,  
Heartland Region, Excluding Government Payments, 2005-2006 1/ 2/**

Item	Corn		Soybeans	
	2005	2006	2005	2006
	<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	267.32	488.40	282.09	271.70
<b>Operating Costs</b>				
Seed	41.23	43.83	32.59	33.19
Fertilizer 3/	72.67	82.79	10.26	11.38
Chemicals	24.71	25.73	14.00	14.84
Custom operations 4/	8.99	9.40	5.75	6.12
Fuel, lube, and electricity	20.32	22.48	11.14	12.82
Repairs	12.23	12.67	10.08	10.45
Interest on operating capital	3.07	4.66	1.41	2.09
Total operating cost	183.22	201.56	85.23	90.89
<b>Allocated overhead</b>				
Hired labor	1.41	1.46	1.29	1.36
Opportunity cost of unpaid labor	19.80	20.52	15.63	15.77
Capital recovery of machinery and equipment	60.45	63.59	46.99	48.69
Opportunity cost of land (rental rate)	104.87	103.16	102.09	104.28
Taxes and insurance	6.06	6.37	6.15	6.70
General farm overhead	12.14	12.57	12.97	13.05
Total allocated overhead	204.73	207.67	185.12	189.85
Total cost listed	387.95	409.23	270.35	280.74
<b>Value of production less total costs listed</b>	-120.63	79.17	11.74	-9.04
<b>Value of production less operating costs</b>	84.10	286.84	196.86	180.81
<b>Supporting information</b>				
Yield (bu./planted acre)	156	151	49	49
Price (dollars per bushel at harvest)	1.71	3.23	5.70	5.51
Enterprise size (planted acres) 1/	281	281	280	280
<b>Production practices 1/</b>				
Irrigated (percent)	5	5	5	5
Dryland (percent)	95	95	95	95

1/ Developed from survey base year 2005 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 website listed below.

3/ Cost of commercial fertilizers, soil conditioners, and manure.

4/ 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](http://www.ers.usda.gov/data))