

**CORN AND SOYBEANS: Production Costs and Returns,
Heartland Region, 2001-2002 1/**

Item	Corn		Soybeans	
	2001	2002	2001	2002
	<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	273.17	327.93	189.78	228.34
Operating costs				
Seed	33.00	31.60	21.72	23.01
Fertilizer, lime, and gypsum	49.85	37.24	7.42	6.72
Soil conditioners	0.09	0.09	0.09	0.09
Manure	1.73	1.37	1.18	0.92
Chemicals	26.67	26.22	22.82	22.73
Custom operations 2/	9.77	9.69	6.14	6.05
Fuel, lube, and electricity	16.18	15.28	7.76	7.15
Repairs	12.21	12.35	9.84	9.95
Other variable cash expenses 3/	0.00	0.00	0.00	0.00
Interest on operating capital	2.50	1.13	1.30	0.64
Total operating costs	152.00	134.97	78.27	77.26
Allocated overhead				
Hired labor	2.10	2.19	1.42	1.49
Opportunity cost of unpaid labor	22.20	23.03	19.41	20.21
Capital recovery of machinery and equipment	51.27	51.87	52.80	53.42
Opportunity cost of land (rental rate)	96.90	98.83	92.38	93.78
Taxes and insurance	5.15	5.07	7.14	7.11
General farm overhead	10.49	10.69	15.46	15.72
Total allocated overhead	188.11	191.68	188.61	191.73
Total costs listed	340.11	326.65	266.88	268.99
Value of production less total costs listed	-66.94	1.28	-77.10	-40.65
Value of production less operating costs	121.17	192.96	111.51	151.08
Supporting information				
Yield (bu./planted acre)	151	142	46	44
Price (dollars per bushel at harvest)	1.80	2.30	4.16	5.23
Enterprise size (planted acres) 4/	270	270	225	225
Production practices 4/				
Irrigated (percent)	5	5	2	2
Dryland (percent)	95	95	98	98

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/ Cost of purchased irrigation water.

4/ 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/costsandreturns/testpick.htm)