

CROP PRODUCTION COSTS

CORN AND SOYBEAN PRODUCTION COSTS AND RETURNS HEARTLAND REGION 1/, 2005-2006

Item	Corn		Soybeans	
	2005	2006	2005	2006
	<u>Dollars per Planted Acre</u>			
Total, Gross Value of Production (Excluding Direct Government Payments)	267.32	488.40	282.09	271.70
Operating Costs:				
Seed	41.23	43.83	32.59	33.19
Fertilizer	72.67	82.79	9.55	10.57
Soil Conditioners <u>2/</u>	0.00	0.00	0.09	0.10
Manure	0.00	0.00	0.62	0.71
Chemicals	24.71	25.73	14.00	14.84
Custom Operations <u>3/</u>	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 Costs	183.22	201.56	85.23	90.89
Allocated Overhead:				
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, Costs Listed	387.95	409.23	270.35	280.74
Value of Production Less Total Costs Listed	-120.63	79.17	11.74	-9.04
Value of Production Less Operating Costs	84.10	286.84	196.86	180.81
Supporting Information:				
Yield (bushels per planted acre)	156	151	49	49
Price (dollars per bushel at harvest)	1.71	3.23	5.70	5.51
Enterprise size (planted acres) <u>1/</u>	281	281	280	280
Production Practices <u>4/</u> <u>5/</u>				
Irrigated (percent)	5	5	5	5
Dryland (percent)	95	95	95	95

1/ Heartland Region includes: Illinois, Indiana, Iowa, Western Kentucky, Southern and Western Minnesota, North and Central Missouri, Northeastern Nebraska, Western Ohio, and Southeastern North Dakota.

2/ Cost of lime.

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

4/ Corn: For survey base year 2001.

5/ Soybeans: For survey base year 2002.

Source: Economic Research Service