

SOYBEAN PRODUCTION COSTS AND RETURNS 2004 - 2005 ^{1/} ^{2/}

| ITEM | UNITED STATES | | HEARTLAND | | EASTERN UPLANDS | |
|---|---------------|----------|-----------|----------|-----------------|----------|
| | 2004 | 2005 | 2004 | 2005 | 2004 | 2005 |
| Dollars Per Planted Acre | | | | | | |
| Gross value of production | | | | | | |
| Primary product: Soybeans | 253.46 | 264.57 | 272.08 | 282.09 | 213.38 | 201.59 |
| Total, gross value of production | \$253.46 | \$264.57 | \$272.08 | \$282.09 | \$213.38 | \$201.59 |
| Operating costs: | | | | | | |
| Seed | 29.71 | 32.62 | 29.56 | 32.59 | 28.79 | 32.45 |
| Fertilizer | 8.09 | 10.06 | 7.59 | 9.55 | 14.92 | 18.35 |
| Soil conditioners | 0.13 | 0.13 | 0.10 | 0.09 | 0.42 | 0.37 |
| Manure | 0.48 | 0.60 | 0.51 | 0.62 | 0.20 | 0.25 |
| Chemicals | 16.07 | 13.59 | 16.61 | 14.00 | 14.42 | 13.49 |
| Custom operations | 6.38 | 6.67 | 5.53 | 5.75 | 6.40 | 6.65 |
| Fuel, lube, and electricity | 9.44 | 13.62 | 7.72 | 11.14 | 7.66 | 11.06 |
| Repairs | 10.70 | 11.29 | 9.64 | 10.08 | 8.48 | 9.18 |
| Purchased irrigation water | 0.13 | 0.13 | 0.00 | 0.00 | 0.00 | 0.00 |
| Interest on operating capital | 0.64 | 1.50 | 0.61 | 1.41 | 0.64 | 1.55 |
| Total, operating costs | \$81.77 | \$90.21 | \$77.87 | \$85.23 | \$81.93 | \$93.35 |
| Allocated overhead: | | | | | | |
| Hired labor | 2.04 | 2.03 | 1.27 | 1.29 | 2.22 | 2.20 |
| Opportunity cost of unpaid labor | 16.12 | 16.77 | 15.14 | 15.63 | 16.85 | 17.26 |
| Capital recovery of machinery and equipment | 47.49 | 50.17 | 44.92 | 46.99 | 41.54 | 45.07 |
| Opportunity cost of land (rental rate) | 83.88 | 86.68 | 98.97 | 102.09 | 58.18 | 58.96 |
| Taxes and insurance | 5.85 | 6.06 | 5.95 | 6.15 | 3.87 | 4.03 |
| General farm overhead | 11.86 | 12.47 | 12.35 | 12.97 | 7.69 | 8.11 |
| Total, allocated overhead | \$167.24 | \$174.18 | \$178.60 | \$185.12 | \$130.35 | \$135.63 |
| Total, costs listed | \$249.01 | \$264.39 | \$256.47 | \$270.35 | \$212.28 | \$228.98 |
| Value of production less total costs listed | 4.45 | 0.18 | 15.61 | 11.74 | 1.10 | -27.39 |
| Value of production less operating costs | 171.69 | 174.36 | 194.21 | 196.86 | 131.45 | 108.24 |
| Supporting information: | | | | | | |
| Yield (bushels per planted acre) | 45 | 47 | 49 | 49 | 38 | 35 |
| Price (dollars per bushel at harvest) | 5.60 | 5.68 | 5.58 | 5.70 | 5.63 | 5.74 |
| Enterprise size (planted acres) ^{1/} | 268 | 268 | 280 | 280 | 171 | 171 |
| Production practices: ^{1/} | | | | | | |
| Irrigated (percent) | 9 | 9 | 5 | 5 | 8 | 8 |
| Dryland (percent) | 91 | 91 | 95 | 95 | 92 | 92 |

Economic Research Service is publishing regional estimates using resource regions conforming with the standards recommended by the American Agricultural Economics Association (AAEA) Task Force on Commodity Costs and Returns. **Western Kentucky is in the Heartland region, while eastern Kentucky is in the Eastern Uplands.** ^{1/}Developed from survey base year, 2002. ^{2/}Excludes government payments.