

CORN PRODUCTION COSTS AND RETURNS 2002 - 2003 ^{1/2/}

ITEM	UNITED STATES		HEARTLAND		EASTERN UPLANDS	
	2002	2003	2002	2003	2002	2003
Dollars Per Planted Acre						
Gross value of production						
Primary product: Corn grain	310.88	317.37	326.60	329.70	172.19	225.40
Secondary product: Corn silage	1.94	2.25	1.33	1.36	15.78	30.54
Total, gross value of production	\$312.82	\$319.62	\$327.93	\$331.06	\$187.97	\$255.94
Operating costs:						
Seed	31.84	34.83	31.60	34.89	29.67	35.02
Fertilizer	35.49	43.41	37.24	45.00	37.10	45.57
Soil conditioners	0.12	0.13	0.09	0.09	0.75	0.71
Manure	2.13	2.47	1.37	1.60	2.57	3.16
Chemicals	26.11	26.20	26.22	26.50	23.48	24.74
Custom operations ^{3/}	10.79	11.17	9.69	10.09	7.79	9.68
Fuel, lube, and electricity	18.93	23.06	15.28	18.81	6.86	10.54
Repairs	13.91	14.22	12.35	12.63	10.09	10.95
Purchased irrigation water	0.22	0.22	0.00	0.00	0.00	0.00
Interest on operating capital	1.17	0.82	1.13	0.79	1.00	0.74
Total, operating costs	\$140.71	\$156.53	\$134.97	\$150.40	\$119.31	\$141.11
Allocated overhead:						
Hired labor	3.06	3.14	2.19	2.30	3.92	4.22
Opportunity cost of unpaid labor	25.74	26.53	23.03	23.79	47.54	48.46
Capital recovery of machinery and equipment	55.26	56.67	51.87	53.06	44.05	47.79
Opportunity cost of land (rental rate)	87.44	89.20	98.83	100.28	48.67	50.12
Taxes and insurance	5.42	5.54	5.07	5.19	6.07	6.20
General farm overhead	11.91	12.17	10.69	10.93	12.22	12.53
Total, allocated overhead	\$188.83	\$193.25	\$191.68	\$195.55	\$162.47	\$169.32
Total, costs listed	\$329.54	\$349.78	\$326.65	\$345.95	\$281.78	\$310.43
Value of production less total costs listed	-16.72	-30.16	1.28	-14.89	-93.81	-54.49
Value of production less operating costs	172.11	163.09	192.96	180.66	68.66	114.83
Supporting information:						
Yield (bushels per planted acre)	134	149	142	157	67	98
Price (dollars per bushel at harvest)	2.32	2.13	2.30	2.10	2.57	2.30
Enterprise size (planted acres) ^{1/}	236	236	270	270	72	72
Production practices: ^{1/}						
Irrigated (percent)	14	14	5	5	1	1
Dryland (percent)	86	86	95	95	99	99

Economic Research Service is publishing regional estimates using resource regions conforming with the standards recommended by the American Agricultural Economics Association (AAFA) 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, 2001. ^{2/}Excludes government payments. ^{3/}Cost of custom operations, technical services, and commercial drying.