

CORN PRODUCTION COSTS AND RETURNS 2000 - 2001 ^{1/}

ITEM	UNITED STATES		HEARTLAND		EASTERN UPLANDS	
	2000	2001	2000	2001	2000	2001
Gross value of production (excluding direct Government payments):	Dollars Per Planted Acre					
Primary product: Corn grain	244.26	264.96	258.13	271.80	239.51	182.40
Secondary product: Corn silage	2.41	1.96	1.23	1.37	0.00	20.99
Total, gross value of production	\$246.67	\$266.92	\$259.36	\$273.17	\$239.51	\$203.39
Operating costs:						
Seed	30.02	32.34	30.64	33.00	20.66	28.27
Fertilizer	39.04	47.72	41.60	49.85	50.31	46.97
Soil conditioners ^{2/}	0.16	0.12	0.10	0.09	1.72	0.74
Manure	0.48	2.65	0.36	1.73	0.45	3.30
Chemicals	28.82	26.44	30.51	26.67	32.33	23.77
Custom operations ^{3/}	11.48	10.94	10.96	9.77	6.51	9.24
Fuel, lube, and electricity	29.12	20.88	26.41	16.18	23.60	9.00
Repairs	17.55	13.76	15.98	12.21	16.68	10.65
Other variable cash expenses ^{4/}	0.31	0.22	0.00	0.00	0.00	0.00
Interest on operating capital	4.53	2.60	4.51	2.50	4.39	2.21
Total, operating costs	\$161.51	\$157.67	\$161.07	\$152.00	\$156.65	\$134.15
Allocated overhead:						
Hired labor	3.36	2.92	2.35	2.10	3.00	3.86
Opportunity cost of unpaid labor	32.21	24.96	31.80	22.20	61.51	46.72
Capital recovery of machinery and equipment	70.16	54.69	67.32	51.27	76.08	46.60
Opportunity cost of land (rental rate)	89.36	86.50	100.73	96.90	48.39	50.43
Taxes and insurance	7.13	5.49	6.47	5.15	6.93	6.05
General farm overhead	11.11	11.67	11.11	10.49	10.96	11.93
Total, allocated overhead	\$213.33	\$186.23	\$219.78	\$188.11	\$206.87	\$165.59
Total, costs listed	\$374.84	\$343.90	\$380.85	\$340.11	\$363.52	\$299.74
Value of production less total costs listed	-128.17	-76.98	-121.50	-66.94	-124.01	-96.35
Value of production less operating costs	85.16	109.25	98.29	121.17	82.86	69.24
Supporting information:						
Yield (bushels per planted acre)	138	144	148	151	128	95
Price (dollars per bushel at harvest)	1.77	1.84	1.75	1.80	1.87	1.92
Enterprise size (planted acres) ^{1/}	189	236	223	270	42	72
Production practices: ^{1/}						
Irrigated (percent)	15	14	6	5	0	1
Dryland (percent)	85	86	94	95	100	99

The Economic Research Service revised its accounting methodology for corn, soybeans, cotton, grain sorghum, peanuts, hogs and cow-calf enterprises to conform with the new standards recommended by the American Agricultural Economics Association (AAEA) Task Force on Commodity Costs and Returns. For these same commodities, ERS is publishing regional estimates using new resource regions. **Western Kentucky is considered Heartland while eastern Kentucky is included in Eastern Uplands.** ^{1/}2000 estimates based on 1996 survey. 2001 estimates based on 2001 survey. ^{2/}Cost of lime. ^{3/}Cost of custom operation, technical services and commercial drying. ^{4/}Cost of purchased irrigation water.