

CORN PRODUCTION COSTS AND RETURNS 2003 - 2004 ^{1/2/}

ITEM	UNITED STATES		HEARTLAND		EASTERN UPLANDS	
	2003	2004	2003	2004	2003	2004
Dollars Per Planted Acre						
Gross value of production						
Primary product: Corn grain	317.37	359.97	329.70	374.66	225.40	241.98
Secondary product: Corn silage	2.25	2.38	1.36	1.51	30.54	23.15
Total, gross value of production	\$319.62	\$362.35	\$331.06	\$376.17	\$255.94	\$265.13
Operating costs:						
Seed	34.83	36.82	34.89	37.05	35.02	34.65
Fertilizer	43.41	46.69	45.00	48.90	45.57	48.23
Soil conditioners	0.13	0.14	0.09	0.10	0.71	0.84
Manure	2.47	2.63	1.60	1.74	3.16	3.29
Chemicals	26.20	26.76	26.50	27.11	24.74	24.31
Custom operations ^{3/}	11.17	11.55	10.09	10.53	9.68	10.04
Fuel, lube, and electricity	23.06	29.29	18.81	25.41	10.54	12.69
Repairs	14.22	15.35	12.63	13.82	10.95	11.91
Purchased irrigation water	0.22	0.24	0.00	0.00	0.00	0.00
Interest on operating capital	0.82	1.31	0.79	1.26	0.74	1.15
Total, operating costs	\$156.53	\$170.78	\$150.40	\$165.92	\$141.11	\$147.11
Allocated overhead:						
Hired labor	3.14	3.20	2.30	2.30	4.22	4.64
Opportunity cost of unpaid labor	26.53	26.98	23.79	24.28	48.46	49.63
Capital recovery of machinery and equipment	56.67	61.25	53.06	58.11	47.79	51.95
Opportunity cost of land (rental rate)	89.20	92.14	100.28	103.58	50.12	51.94
Taxes and insurance	5.54	5.58	5.19	5.24	6.20	6.19
General farm overhead	12.17	12.41	10.93	11.17	12.53	12.86
Total, allocated overhead	\$193.25	\$201.56	\$195.55	\$204.68	\$169.32	\$177.21
Total, costs listed	\$349.78	\$372.34	\$345.95	\$370.60	\$310.43	\$324.32
Value of production less total costs listed	-30.16	-9.99	-14.89	5.57	-54.49	-59.19
Value of production less operating costs	163.09	191.57	180.66	210.25	114.83	118.02
Supporting information:						
Yield (bushels per planted acre)	149	169	157	178	98	111
Price (dollars per bushel at harvest)	2.13	2.13	2.10	2.10	2.30	2.18
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.