

## SOYBEAN PRODUCTION COSTS AND RETURNS 2005 - 2006 <sup>1/</sup> <sup>2/</sup>

ITEM	UNITED STATES		HEARTLAND		EASTERN UPLANDS	
	2005	2006	2005	2006	2005	2006
Dollars Per Planted Acre						
Gross value of production						
Primary product: Soybeans	264.57	254.12	282.09	271.70	201.59	217.31
Total, gross value of production	\$264.57	\$254.12	\$282.09	\$271.70	\$201.59	\$217.31
Operating costs:						
Seed	32.62	34.06	32.59	33.19	32.45	36.54
Fertilizer	10.06	11.08	9.55	10.57	18.35	20.56
Soil conditioners	0.13	0.14	0.09	0.10	0.37	0.41
Manure	0.60	0.67	0.62	0.71	0.25	0.29
Chemicals	13.59	14.16	14.00	14.84	13.49	14.30
Custom operations	6.67	7.02	5.75	6.12	6.65	7.07
Fuel, lube, and electricity	13.62	15.75	11.14	12.82	11.06	12.92
Repairs	11.29	11.60	10.08	10.45	9.18	9.39
Purchased irrigation water	0.13	0.15	0.00	0.00	0.00	0.00
Interest on operating capital	1.50	2.23	1.41	2.09	1.55	2.39
Total, operating costs	\$90.21	\$96.86	\$85.23	\$90.89	\$93.35	\$103.87
Allocated overhead:						
Hired labor	2.03	2.12	1.29	1.36	2.20	2.27
Opportunity cost of unpaid labor	16.77	16.81	15.63	15.77	17.26	17.29
Capital recovery of machinery and equipment	50.17	51.47	46.99	48.69	45.07	46.08
Opportunity cost of land (rental rate)	86.68	88.25	102.09	104.28	58.96	60.49
Taxes and insurance	6.06	6.57	6.15	6.70	4.03	4.39
General farm overhead	12.47	12.54	12.97	13.05	8.11	8.26
Total, allocated overhead	\$174.18	\$177.76	\$185.12	\$189.85	\$135.63	\$138.78
Total, costs listed	\$264.39	\$274.62	\$270.35	\$280.74	\$228.98	\$242.65
Value of production less total costs listed	0.18	-20.50	11.74	-9.04	-27.39	-25.34
Value of production less operating costs	174.36	157.26	196.86	180.81	108.24	113.44
Supporting information:						
Yield (bushels per planted acre)	47	46	49	49	35	36
Price (dollars per bushel at harvest)	5.68	5.54	5.70	5.51	5.74	5.98
Enterprise size (planted acres) <sup>1/</sup>	268	268	280	280	171	171
Production practices: <sup>1/</sup>						
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 (AAFA) Task Force on Commodity Costs and Returns. **Western Kentucky is in the Heartland region, while eastern Kentucky is in the Eastern Uplands.** <sup>1/</sup>Developed from survey base year, 2002. <sup>2/</sup>Excludes government payments.