

CORN PRODUCTION COSTS AND RETURNS 2007 - 2008 ^{1/ 2/}

ITEM	UNITED STATES		HEARTLAND		EASTERN UPLANDS	
	2007	2008	2007	2008	2007	2008
Dollars Per Planted Acre						
Gross value of production						
Primary product: Corn grain	467.61	627.84	500.65	650.96	406.56	569.52
Secondary product: Corn silage	1.33	1.52	0.62	0.78	4.27	7.56
Total, gross value of production	\$468.94	\$629.36	\$501.27	\$651.74	\$410.83	\$577.08
Operating costs:						
Seed	49.04	60.02	49.40	61.29	45.06	55.90
Fertilizer ^{3/}	93.13	139.18	96.13	146.62	116.35	177.46
Chemicals	24.38	25.19	26.55	27.68	23.92	24.94
Custom operations ^{4/}	10.93	10.98	9.80	9.80	9.67	9.67
Fuel, lube, and electricity	31.58	42.64	25.00	32.73	21.23	27.95
Repairs	14.86	15.37	13.11	13.46	12.70	13.04
Purchased irrigation water	0.13	0.14	0.00	0.00	0.00	0.00
Interest on operating capital	4.94	2.17	4.85	2.16	5.06	2.29
Total, operating costs	\$228.99	\$295.69	\$224.84	\$293.74	\$233.99	\$311.25
Allocated overhead:						
Hired labor	2.26	2.37	1.51	1.56	1.25	1.29
Opportunity cost of unpaid labor	24.34	25.12	21.24	21.96	40.49	41.86
Capital recovery of machinery and equipment	69.77	76.36	66.73	73.02	62.73	68.64
Opportunity cost of land (rental rate)	97.21	107.37	110.48	123.66	66.13	74.02
Taxes and insurance	7.52	8.29	6.88	7.64	5.83	6.47
General farm overhead	13.88	14.18	13.00	13.35	11.30	11.60
Total, allocated overhead	\$214.98	\$233.69	\$219.84	\$241.19	\$187.73	\$203.88
Total, costs listed	\$443.97	\$529.38	\$444.68	\$534.93	\$421.72	\$515.13
Value of production less total costs listed	24.97	99.98	56.59	116.81	-10.89	61.95
Value of production less operating costs	239.95	333.67	276.43	358.00	176.84	265.83
Supporting information:						
Yield (bushels per planted acre)	143	144	155	158	121	126
Price (dollars per bushel at harvest)	3.27	4.36	3.23	4.12	3.36	4.52
Enterprise size (planted acres) ^{1/}	250	250	281	281	77	77
Production practices: ^{1/}						
Irrigated (percent)	12	12	5	5	2	2
Dryland (percent)	88	88	95	95	98	98

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, 2005. ^{2/}Excludes government payments. ^{3/}Cost of commercial fertilizers, soil conditioners, and manure. ^{4/}Cost of custom operations, technical services, and commercial drying.