



# Current Report

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## Oklahoma Farm and Ranch Custom Rates, 2013-2014

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This Current Report summarizes data collected from Oklahoma farmers, ranchers and custom operators during the summer and fall of 2013. Custom work is defined as machine operations performed for the customer with the custom operator furnishing the machine, fuel, labor and other inputs directly associated with the machine. Custom operators do not usually furnish materials such as seed or fertilizer unless it is explicitly stated. In general, custom rates have increased since the 2011 survey. Approximately 720 surveys were returned with usable data.

### Summary Procedure

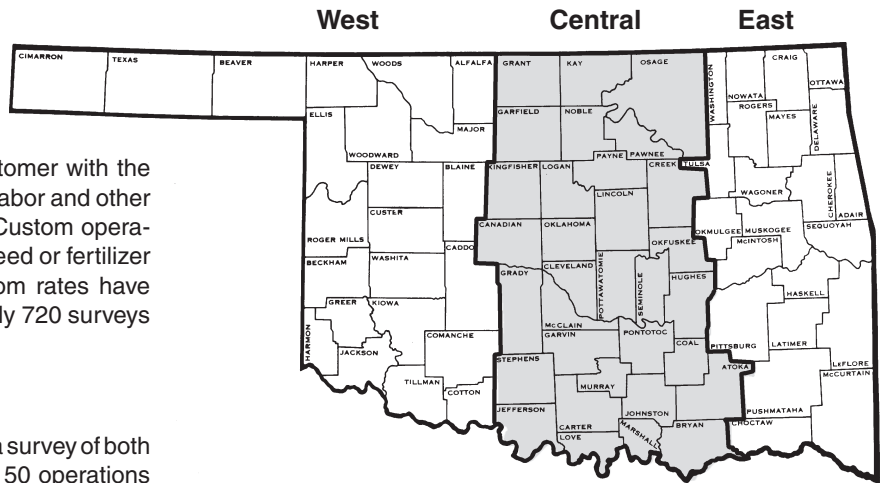
The rates quoted herein were collected by a survey of both farmers and custom operators. A list of over 150 operations was provided from which each respondent quoted rates for only selected operations. Some respondents quoted rates for only one or two operations while others were familiar with rates for many of the machines listed. "Fair" rates are negotiated. Regional or state average rates may be used as a beginning point for discussion. However, differences in operations, requirements, and circumstances may impact rates.

The rates summarized on the inside pages were edited to remove those replies for which the respondent's interpretation of the information being requested did not match the interpretation of other respondents.

### Interpreting the Rate Tables

A statewide rate summary for each operation is quoted in the included table. If available, separate quotes are listed for each area of the state as shown in the map. The number of estimates obtained, the average rate, and the lowest and highest rates reported are shown. The average rate for a specific operation provides an estimate of the prevailing charge with its reliability improving as the number of responses increase. The cost of following up with individual surveys prohibited questioning or affirming doubtful replies. In most cases the number of observations was insufficient to allow statistical analysis. You must interpret these results, therefore, with these limitations in mind.

Figure 1 shows the distribution of survey responses for



operations with at least 50 observations. For example, a distribution of 320 responses for baling large round bales is one of several graphs shown. None of the respondents reported a rental rate less than \$10 per acre, 16% reported a rental rate between \$10 and \$13.00 per acre, 29% reported a rental rate between \$13.00 and \$16.00 per acre, 17% reported a rental rate between \$16.00 and \$19.00 per acre, 17% reported a rental rate between \$19.00 and \$22.00 per acre, and 21% of the respondents reported a rental rate of \$22 or more per bale.

If you are interested in a rate quotation for a specific operation in an area which shows a small number of reports, consider rates for other areas of the state where the operation is more common or refer to the statewide summary. Additional adjustments for field size, terrain and soil type may be necessary.

### Reporting Regions

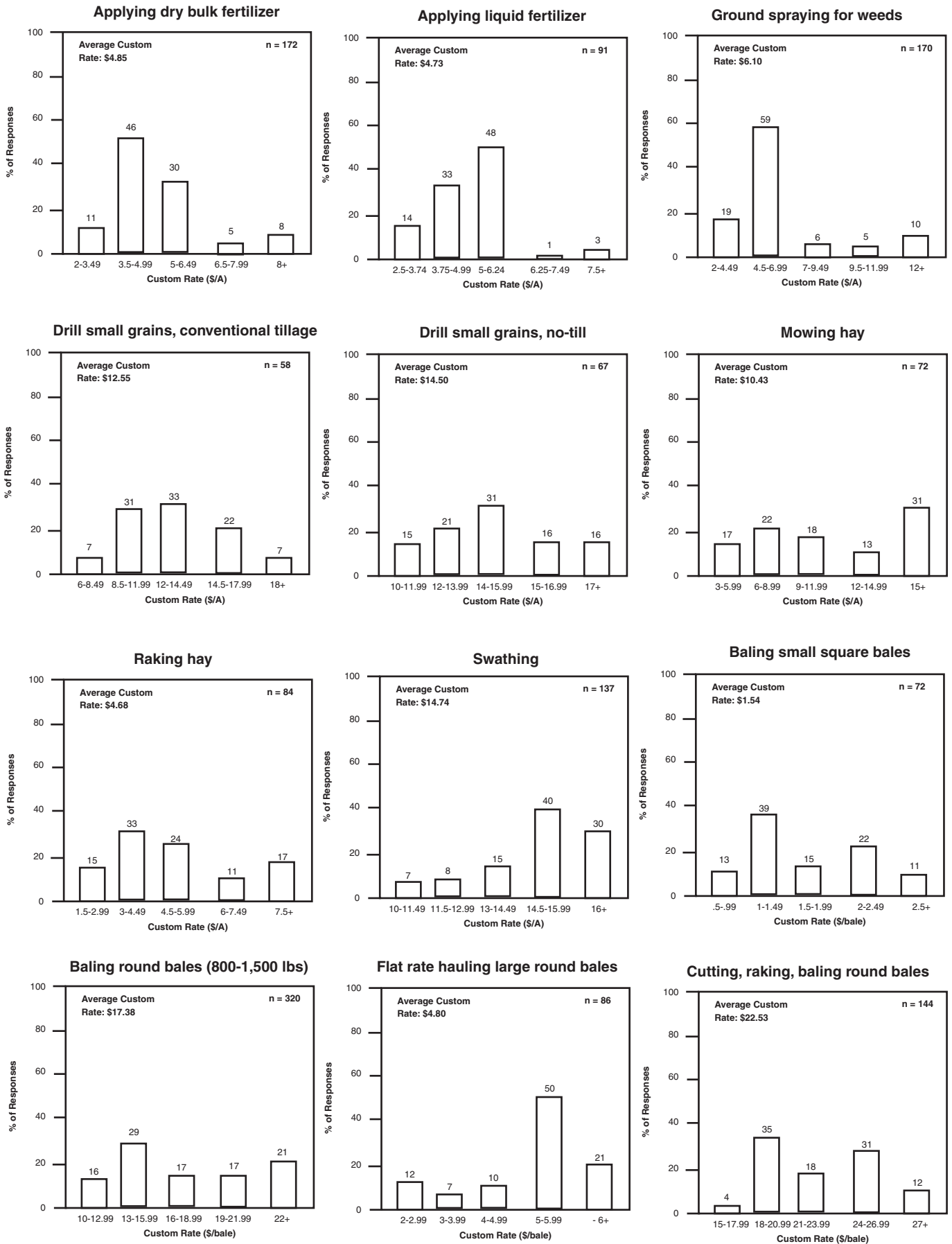
Area rates are summarized for the State of Oklahoma as shown in the map above. Regional differences are apparent in the rate table with higher rates prevailing when:

- Fields are small.
- Soils are heavy.
- Slopes are steep.
- Machines are scarce.

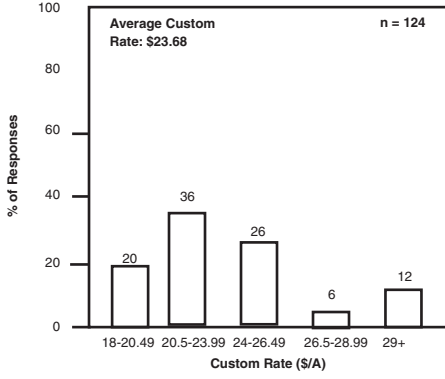
OPERATION	OKLAHOMA*				WEST				CENTRAL				EAST				
	No.	Avg.	Low	High	No.	Avg.	Low	High	No.	Avg.	Low	High	No.	Avg.	Low	High	
<b>TILLAGE</b>																	
Moldboard plowing	\$/acre	18	19.00	15.00	25.00	4	18.50	15.00	25.00	6	19.33	15.00	25.00				
Chisel plowing	\$/acre	36	12.81	10.00	18.00	19	12.42	10.00	18.00	9	13.78	10.00	18.00				
Surface chisel	\$/acre	12	11.82	8.00	15.00	7	11.54	8.00	14.00								
Discing stubble	\$/acre	49	12.03	8.00	16.00	25	11.74	8.00	15.00	12	12.92	10.00	15.00				
Discing shallow	\$/acre	24	11.91	8.00	15.00	7	12.32	10.00	15.00	9	13.11	10.00	15.00				
Blade or wide sweeps	\$/acre	20	12.40	8.00	15.00	15	12.33	8.00	15.00								
Strip tillage	\$/acre	7	15.29	13.00	18.00	6	15.67	15.00	18.00								
Spike tooth harrow	\$/acre	18	7.44	5.00	12.00	7	7.71	5.00	12.00	6	6.75	6.00	8.00				
Spring tooth harrow	\$/acre	10	8.70	4.00	14.00					4	8.50	4.00	12.00				
Field cultivating	\$/acre	22	10.82	7.00	15.00	10	11.00	7.00	14.00	6	10.67	8.00	12.00				
Subsoiling	\$/acre	8	20.00	12.00	35.00	5	17.00	12.00	21.00								
<b>FERTILIZER AND CHEMICAL APPLICATION</b>																	
Applying bulk dry fertilizer	\$/acre	172	4.85	2.00	10.00	54	4.57	2.48	10.00	55	4.76	2.50	10.00	24	5.29	3.00	10.00
Renting bulk dry applicator	\$/acre	24	1.86	0.50	5.00	5	1.90	0.50	5.00	6	2.18	0.60	5.00	5	2.05	1.00	3.00
Applying liquid fertilizer	\$/acre	91	4.73	2.50	9.00	43	4.59	2.50	8.00	27	4.92	3.00	8.00	7	5.07	3.00	6.00
Renting liquid applicator	\$/acre	6	2.83	1.00	6.00												
Applying anhydrous	\$/acre	21	11.98	6.00	15.00	8	12.56	7.50	15.00	9	10.78	6.00	15.00				
Lime application	\$/acre	22	10.93	4.00	30.00	6	10.33	4.00	20.00	8	12.44	4.50	30.00	4	9.75	6.00	18.00
Lime application	\$/ton	23	9.98	4.00	28.00	5	12.20	4.00	23.00	9	9.44	4.00	28.00	5	10.90	8.00	20.00
Ground appl., insect, fung.	\$/acre	41	5.15	4.00	7.50	13	5.06	4.00	6.25	17	5.41	4.50	7.50				
Aircraft appl., insect, fung.	\$/acre	22	5.56	3.00	8.00	10	4.75	3.00	7.00	4	5.25	5.00	6.00				
Ground spraying for weeds	\$/acre	170	6.10	2.00	16.00	36	5.37	3.00	16.00	60	6.99	3.00	15.00	44	5.76	2.00	15.00
Aircraft spraying for weeds	\$/acre	38	6.28	3.00	12.00	15	5.43	3.00	9.00	13	7.62	4.00	12.00				
<b>PLANTING</b>																	
Air seeder w/ fertilizer	\$/acre	27	16.16	12.00	22.00	15	16.47	12.00	22.00	6	15.83	14.00	18.00				
Air seeder w/o fertilizer	\$/acre	18	15.22	10.00	20.00	8	15.75	10.00	20.00	5	17.00	15.00	20.00				
Drill small grains, conventional	\$/acre	58	12.55	6.00	20.00	24	12.53	7.50	19.23	18	13.72	7.00	20.00				
Drill small grains, no-till	\$/acre	67	14.50	10.00	20.00	24	14.06	10.00	20.00	24	15.40	10.00	20.00	5	15.30	13.50	18.00
Sod drill sm grains into bermuda	\$/acre	13	13.58	10.00	20.00					6	12.92	10.00	16.00	4	15.00	10.00	20.00
Drill alfalfa and other legumes	\$/acre	12	14.58	10.00	20.00	4	15.25	10.00	18.00	7	14.57	12.00	20.00				
Broadcasting seed	\$/acre	16	7.75	3.00	15.00					7	8.43	4.00	15.00				
Seeding forages	\$/acre	5	13.80	10.00	16.00												
Drill canola	\$/acre	21	16.62	14.00	20.00	10	17.15	14.00	20.00	8	15.81	14.00	20.00				
Plant cotton	\$/acre	9	17.00	15.00	20.00	5	17.80	15.00	20.00								
Plant corn, conventional	\$/acre	8	17.00	15.00	20.00					4	16.00	15.00	18.00				
Plant corn, no-till	\$/acre	17	17.29	13.00	20.00					11	17.09	13.00	20.00				
Plant grain sorghum, conventional	\$/acre	11	15.55	12.00	18.00	6	14.83	12.00	18.00	4	16.75	15.00	18.00				
Plant grain sorghum, no-till	\$/acre	27	16.76	13.00	20.00	13	16.65	13.00	20.00	11	16.55	13.00	20.00				
Plant soybeans, conventional	\$/acre	7	15.71	12.00	18.00					4	16.00	15.00	18.00				
Plant soybeans, no-till	\$/acre	24	17.79	13.00	20.00	8	18.50	16.00	20.00	12	17.33	13.00	20.00				
<b>HAYING</b>																	
Mowing hay	\$/acre	72	10.43	3.00	18.00	17	13.41	8.00	16.00	23	10.27	4.00	18.00	12	7.33	3.00	12.00
Raking hay	\$/acre	84	4.68	1.50	10.00	20	4.03	2.00	10.00	27	4.66	1.50	10.00	14	5.20	2.00	8.00
Swathing	\$/acre	137	14.74	10.00	18.00	78	15.10	10.00	18.00	23	14.27	10.00	18.00				
Cutting to stacking for one ton	\$/ton	34	34.56	20.00	50.34					10	32.49	22.00	45.00	15	37.92	20.00	50.34
Small square bales																	
Baling small square bales	\$/bale	72	1.54	0.50	3.50	11	1.14	0.60	2.00	27	1.57	0.50	3.50	21	1.81	1.00	3.50
Cutting to stacking for a small square bale	\$/bale	17	3.08	2.00	5.00					10	2.98	2.00	5.00				
Flat rate for hauling small square bale	\$/bale	32	1.08	0.65	1.50	4	1.06	1.00	1.25	15	1.05	0.65	1.50	11	1.10	1.00	1.50
Base rate for hauling small square bale	\$/bale	7	1.06	0.75	1.50					4	1.13	1.00	1.50				
extra charge per bale	\$/bale	7	0.19	0.05	0.50					4	0.24	0.10	0.50				
for a distance over XX miles	miles	7	14.00	3.00	25.00					4	12.00	3.00	20.00				
Large square bales (4'X4'X8')																	
Baling a large square bale (4'X4'X8')	\$/bale	44	17.82	12.00	24.00	8	16.69	12.00	22.00	17	17.57	12.00	24.00				
Flat rate for hauling large square bales	\$/bale	8	5.88	2.00	10.00												
Large round bales																	
Baling a large round bale (800-1500 lb.)	\$/bale	320	17.38	10.00	25.00	83	15.29	10.00	20.00	92	18.26	10.00	25.00	69	19.07	10.00	25.00
Baling a giant round bale (1500-3000 lb.)	\$/bale	38	18.74	10.00	30.00	11	14.91	13.00	16.00	9	19.44	12.00	30.00	6	23.67	17.00	30.00
Cutting, raking, baling large round bales	\$/bale	144	22.53	15.00	30.00	4	18.75	15.00	25.00	61	24.02	17.50	30.00	53	20.92	17.00	30.00
Flat rate for hauling a large round bale (800-1500 lb.)	\$/bale	86	4.80	2.00	8.00	12	5.00	3.00	7.50	27	4.71	2.00	8.00	26	4.81	2.00	8.00
Base rate for hauling a large round bale (800-1500 lb.)	\$/bale	26	4.92	3.00	7.00	6	5.33	5.00	6.00	10	4.80	3.00	7.00	7	5.29	5.00	6.00
extra charge per bale	\$/bale	26	1.33	0.10	5.00	6	1.92	0.50	5.00	10	0.96	0.10	2.50	7	1.43	1.00	2.00
for a distance over XX miles	miles	26	9.85	1.00	30.00	6	18.33	10.00	30.00	10	5.50	2.00	10.00	7	10.71	5.00	20.00
<b>SMALL GRAIN AND SOYBEAN HARVEST</b>																	
Combining wheat & small grains (flat rate)	\$/acre	124	23.68	18.00	30.00	48	22.23	18.00	28.00	35	25.80	18.00	30.00	11	26.09	20.00	30.00
Swathing small grains	\$/acre	29	15.02	12.00	18.00	19	15.00	12.00	18.00	5	15.20	14.00	18.00				
Base rate for combining small grains	\$/acre	68	22.97	20.00	26.00	34	22.71	20.00	25.00	19	23.74	21.00	26.00				
extra charge per bushel	\$/bu.	68	0.23	0.20	0.26	34	0.22	0.20	0.25	19	0.23	0.20	0.26				
for excess over XX bushels/acre	bu./acre	68	20.41	20.00	25.00	34	20.44	20.00	25.00	19	20.42	20.00	25.00				
Small grains (fieldwork though harvesting)	\$/acre	10	51.80	23.00	90.00	4	58.25	23.00	90.00	5	50.00	25.00	80.00				
Storing small grains, per bu., per mo.	\$/bu.	6	0.03	0.02	0.04												
Combining soybeans (flat rate)	\$/acre	23	29.26	23.00	35.00	6	29.50	23.00	35.00	9	30.44	26.00	35.00	7	28.14	25.00	30.00
Base rate for combining soybeans	\$/bu.	5	29.40	25.00	35.00												
extra charge per bushel	\$/bu.	5	0.23	0.10	0.30												
for excess over XX bushels/acre	bu./acre	5	20.00	20.00	20.00												

OPERATION	OKLAHOMA*				WEST				CENTRAL				EAST				
	No.	Avg.	Low	High	No.	Avg.	Low	High	No.	Avg.	Low	High	No.	Avg.	Low	High	
Flat rate for hauling small grains, soybeans	\$/bu.	79	0.23	0.18	0.30	36	0.22	0.18	0.30	23	0.24	0.20	0.30	6	0.29	0.25	0.30
Base rate for hauling small grains, soybeans	\$/bu.	12	0.24	0.18	0.30	5	0.23	0.20	0.25								
extra charge per bushel	\$/bu.	12	0.17	0.05	0.25	5	0.23	0.20	0.25								
for excess over XX miles	miles	12	13.08	2.00	30.00	5	11.60	8.00	20.00								
<b>CORN, GRAIN SORGHUM HARVEST</b>																	
Combining corn (flat rate)	\$/acre	17	30.96	25.00	36.36					9	31.48	30.00	36.36	4	29.50	28.00	32.00
Base rate for combining corn	\$/acre	7	27.00	22.00	30.00					4	27.25	24.00	30.00				
extra charge per bushel	\$/bu.	7	0.25	0.15	0.30					4	0.24	0.15	0.28				
for excess over XX bushels/acre	bu./acre	7	47.14	20.00	100.00					4	47.50	20.00	100.00				
Flat rate for hauling corn	\$/bu.	9	0.25	0.20	0.30					4	0.22	0.20	0.25				
Combining grain sorghum (flat rate)	\$/acre	15	25.50	20.00	30.00	6	24.58	20.00	30.00	5	27.60	25.00	30.00				
Base rate for combining grain sorghum	\$/acre	12	23.75	20.00	28.00	6	23.00	20.00	25.00	4	24.25	22.00	27.00				
extra charge per bushel	\$/bu.	12	0.21	0.10	0.27	6	0.19	0.10	0.24	4	0.24	0.22	0.27				
for excess over XX bushels/acre	bu./acre	12	27.50	15.00	70.00	6	23.33	15.00	30.00	4	25.00	20.00	30.00				
Flat rate for hauling grain sorghum	\$/bu.	8	0.25	0.20	0.30												
Chopping corn silage	\$/ton.	7	9.18	7.50	10.75												
<b>CANOLA HARVEST</b>																	
Combining canola (flat rate)	\$/acre	19	25.05	20.00	30.00	10	25.00	20.00	30.00	4	27.25	24.00	30.00				
Swathing canola	\$/acre	20	16.35	14.00	20.00	10	17.00	14.00	20.00	4	15.00	14.00	17.00				
Base rate for combining canola	\$/acre	6	25.17	22.00	30.00	4	24.25	22.00	26.00								
extra charge per cwt	\$/cwt.	6	0.25	0.22	0.30	4	0.24	0.22	0.26								
for excess over XX cwt/acre	cwt./acre	6	22.67	20.00	30.00	4	21.50	20.00	26.00								
Flat rate for hauling canola	\$/wct.	7	0.24	0.22	0.27	5	0.24	0.22	0.27								
Base rate for hauling canola	\$/cwt.	5	0.29	0.20	0.44	4	0.29	0.20	0.44								
extra charge/cwt.	\$/cwt.	5	0.11	0.02	0.26	4	0.13	0.02	0.26								
for excess over XX miles	miles	5	20.00	10.00	40.00	4	22.50	10.00	40.00								
<b>COTTON HARVEST</b>																	
Stripping cotton (flat rate)	\$/lb.	12	0.09	0.08	0.11	10	0.09	0.08	0.11								
<b>LIVESTOCK OPERATIONS</b>																	
Spraying	\$/head	37	2.41	0.50	6.00	4	2.25	0.50	6.00	13	2.48	0.50	5.00	11	1.98	1.00	6.00
Dehorning	\$/head	37	3.00	1.00	7.00	7	2.12	1.00	4.00	14	2.96	1.00	6.00	6	2.77	1.10	4.00
Branding	\$/head	50	2.25	0.50	5.00	11	1.84	1.00	4.00	16	1.85	0.50	5.00	7	3.00	0.50	5.00
Castrating	\$/head	61	3.40	1.00	9.00	14	2.77	1.00	6.00	17	3.40	1.00	8.00	12	3.48	2.00	8.00
Worming	\$/head	81	3.80	1.00	10.00	13	2.79	1.00	10.00	24	4.26	1.00	10.00	23	3.82	2.00	10.00
Artificial insemination	\$/head	15	21.60	5.00	50.00	4	12.75	8.00	20.00	4	21.25	10.00	30.00	4	30.00	5.00	50.00
<b>MISCELLANEOUS</b>																	
Picking up pecans (% for owner)	%	13	46.92	40.00	50.00					4	42.50	40.00	50.00				
Welding	\$/hour	73	39.10	20.00	65.00	9	42.22	25.00	65.00	33	41.91	20.00	65.00	20	34.80	20.00	60.00
Building new fence w/materials (5-wire,steel posts)	\$/mile	49	4880	1800	8000	11	4333	1800	8000	14	4999	1800	7920	15	5694	3100	8000
Building new fence w/o materials (5-wire,steel posts)	\$/mile	38	2266	800	4000	9	1856	1000	3600	10	2070	1000	4000	7	3029	1100	3960
Digging line fence post holes	\$/hole.	10	11.03	5.00	22.00					5	11.00	5.00	20.00				
Brush hogging	\$/hour	44	40.86	20.00	75.00	10	44.00	25.00	75.00	21	41.10	25.00	75.00				
Dozing (D6 or smaller)	\$/hour	61	102.48	70.00	135.00	8	100.00	80.00	135.00	22	105.05	75.00	135.00	14	95.71	75.00	125.00
Dozing (D7 or larger)	\$/hour	34	123.38	95.00	150.00	6	125.00	95.00	150.00	12	127.08	100.00	150.00	8	128.13	95.00	150.00
Clearing cedar trees	\$/hour	38	65.45	22.00	120.00	7	65.00	25.00	110.00	17	69.12	25.00	120.00	6	56.17	22.00	85.00
Sawing wood, chainsaw	\$/hour	23	23.98	10.00	65.00					9	22.17	12.00	50.00	6	25.33	10.00	50.00
Hauling cattle flat truck, capacity	lb.	14	36643	18000	50000					4	31000	18000	40000	4	4500	4000	6000
Per mile (one-way load)	\$/mile	14	4.44	3.00	6.00					4	4.50	4.00	6.00				
Hauling cattle belly semi truck, capacity	lb.	36	49278	40000	56000	6	50000	48000	52000	15	48467	40000	50000	9	50444	48000	56000
Per mile (one-way load)	\$/mile	36	4.21	3.50	5.50	6	4.18	3.85	5.00	15	4.28	3.75	5.50	9	4.09	3.50	5.50
Gooseneck trailer, length	feet	34	26.00	16.00	36.00	5	23.20	16.00	28.00	13	26.00	20.00	32.00	11	27.27	16.00	36.00
capacity	lb.	34	15015	5000	30000	5	15400	8000	30000	13	16923	14000	25000	11	14409	7000	27500
rate per mile	\$/mile	34	2.92	0.80	6.00	5	2.65	2.00	3.25	13	2.87	1.00	4.00	11	3.09	1.50	6.00
<b>TRACTOR RENTAL</b>																	
2 wheel drive-less than 100 hp	\$/hour	8	29.88	19.00	45.00					4	31.00	19.00	45.00				
2 wheel drive-between 100 and 150 hp	\$/hour	11	40.45	25.00	50.00	4	31.25	25.00	45.00	5	47.00	40.00	50.00				
2 wheel drive-greater than 150 hp	\$/hour	6	50.00	25.00	75.00												
4 wheel drive-less than 175 hp	\$/hour	5	69.40	25.00	100.00												
4 wheel drive-greater than 175 hp	\$/hour	5	69.60	43.00	90.00												
<b>MACHINERY RENTAL</b>																	
Grain drill	\$/acre	9	9.56	5.00	15.00	4	7.75	5.00	12.00	4	11.25	5.00	15.00				
No-till drill	\$/acre	27	9.72	5.00	15.00	6	9.67	6.00	12.00	11	9.68	5.50	15.00	5	10.20	7.00	15.00
Skid loader	\$/hour	5	42.00	25.00	65.00												

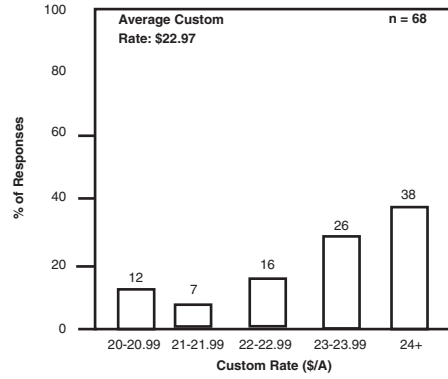
**Figure 1. Relative frequency of responses for selected operations, 2013-2014.**



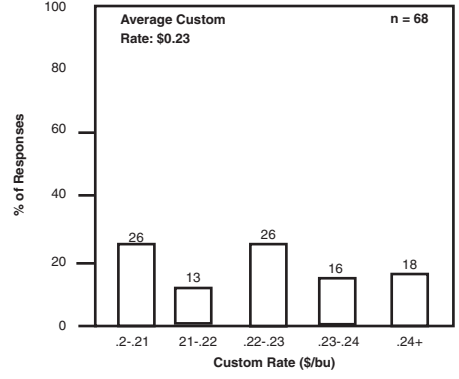
**Flat rate for combining small grains**



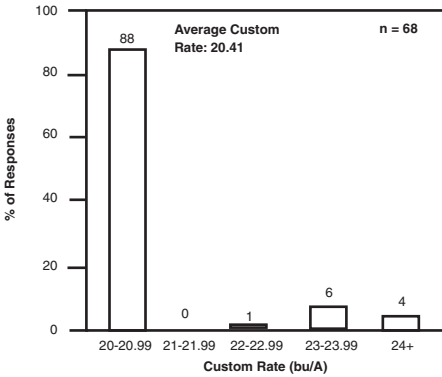
**Base rate for combining small grains**



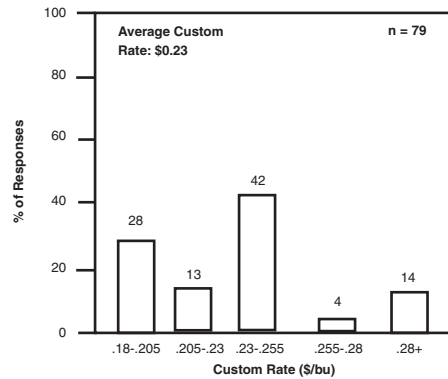
**Combining small grains additional charge**



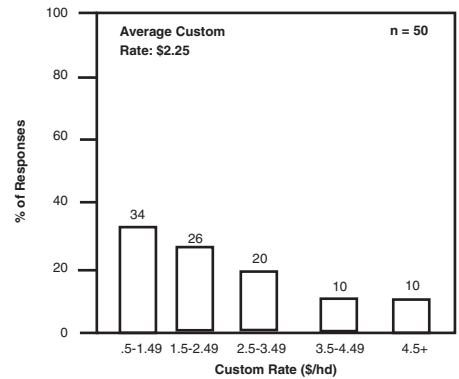
**Combining small grains for excess over xx bushels**



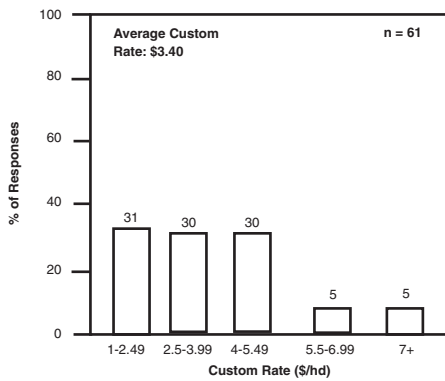
**Flat rate for hauling small grains, soybeans**



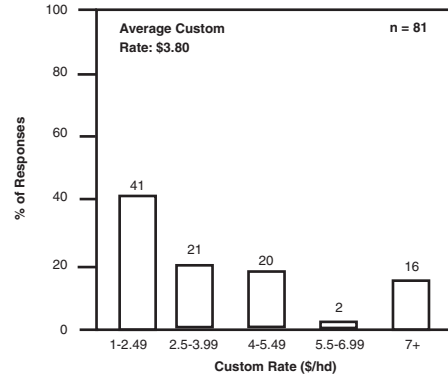
**Branding**



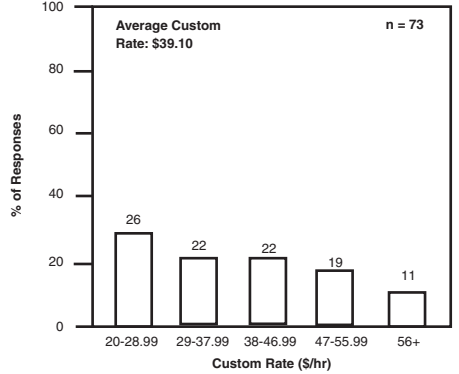
**Castrating**



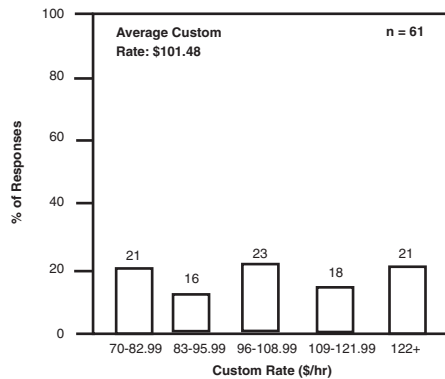
**Worming**



**Welding**



**Dozer (D6 or smaller)**



- Custom operators are not available.

Rates tend to be lower than expected when exchange work is common between relatives and neighbors. Under these circumstances, fixed costs of ownership such as depreciation and interest on investment (sometimes even labor) tend to be discounted when a rate is established for a particular job.

### Custom Service vs. Ownership

Individual circumstances—cash flow, ownership and operating costs, labor availability, reliability and timeliness of custom operators, pride of ownership—will influence an individual's decision on whether to buy or lease machinery and equipment or custom hire work done. A worksheet at the end of this article is designed to help evaluate the cost of machinery ownership and operation. Software to help evaluate the cost of owning and operating farm machinery is available online at [agmach.okstate.edu](http://agmach.okstate.edu).

### Possible Advantages of Using Custom Operations

- Ownership costs are avoided.
- Capital and labor can be channeled to other uses.
- Machine use can be readily adjusted to changes in crop mix and market conditions.

- Specialized operations may benefit from experience and skilled operator.
- Jobs may be completed faster using several machines.

### Possible Disadvantages of Using Custom Operations

- Service may not be available at the best time.
- Reliability of the custom operator may not be known.
- Rates may be excessive in special situations.

Each manager must choose the best combination of owned and hired machines. The quotations here will be helpful in estimating custom costs and to provide a base figure for agreement on a rate when well established local rates are not available. If you have questions, ask your Extension Educator- Agriculture or Area Agricultural Economics Specialist for additional information.

### Considerations to Keep in Mind

Keep in mind there is a wide variation in rates charged for most jobs, even within the same geographic area, partly because some custom work is done for friends, relatives, and neighbors at reduced rates, partly because *some* custom work is done late by farmers who do their own work first and therefore do not attempt to include the full cost of machine ownership in their rates, and partly because it is easy to under-estimate the full cost of ownership and operation of machinery.

A small number of reports for a given machine in a particular area may not be representative. In this case, it is particularly important to check rates in other areas or statewide where a larger number of reports are found.

## Costs of Ownership and Operation

The management decision to own a machine, to custom hire operations performed, or to custom perform operations is partially determined by cost, which is heavily influenced by the amount of use realized over the period of machine ownership. Estimates of fixed and variable costs per hour can be approximated using the following steps. Unless accurate records are used to estimate costs, variability in machine and operator efficiencies can cause actual results to be significantly different from estimated results.

A. Acres per hour = Acres covered in normal day ÷ hours in normal day = \_\_\_\_\_ acres ÷ \_\_\_\_\_ hours = \_\_\_\_\_

B. Average investment = (Original cost + Trade-in value) ÷ 2 = (\$ \_\_\_\_\_ + \$ \_\_\_\_\_) ÷ 2 = \$ \_\_\_\_\_

C. Depreciation =  $\frac{\text{Annual Original cost} - \text{Trade-in value}}{\text{Number of years owned}}$  = (\$ \_\_\_\_\_ - \$ \_\_\_\_\_) ÷ \_\_\_\_\_ years = \$ \_\_\_\_\_

D. Interest = Average Investment x Interest rate = \$ \_\_\_\_\_ x \_\_\_\_\_ % = \$ \_\_\_\_\_

E. Taxes = Average Investment x Tax rate (1) = \$ \_\_\_\_\_ x \_\_\_\_\_ % = \$ \_\_\_\_\_

F. Insurance = Average Investment x Insurance rate (2) = \$ \_\_\_\_\_ x \_\_\_\_\_ % = \$ \_\_\_\_\_

G. Total Annual Ownership Costs (Sum of C through F) = \$ \_\_\_\_\_

.....

H. Costs per acre =  $\frac{\text{Ownership Annual Costs}}{\text{Acres Per Year}}$  = \$ \_\_\_\_\_ ÷ \_\_\_\_\_ acres/year = \$ \_\_\_\_\_

I. Per acre =  $\frac{\text{Repairs Per Year}}{\text{Acres}}$  = \$ \_\_\_\_\_ ÷ \_\_\_\_\_ acres/year = \$ \_\_\_\_\_

J. Per acre =  $\frac{\text{Fuel Cost Fuel Gallons}}{\text{Price Per Hour} \times \text{Per Hour}} = \frac{\text{Acres}}{(\$ \text{_____} / \text{gal.} \times \text{_____ gal./hour}) \div \text{_____ acres/hour}}$  = \$ \_\_\_\_\_

K. Per acre =  $\frac{\text{Labor costs Daily}}{\text{Acres Per day}}$  = \$ \_\_\_\_\_ /day ÷ \_\_\_\_\_ acres/day = \$ \_\_\_\_\_

.....

L. Total Cost Per Acre = Sum of items H through K above = \$ \_\_\_\_\_

- (1) Use local tax rate if known. One to two percent is a reasonable "guesstimate".
- (2) Use own insurance rate if known. One-half to one percent is a reasonable "guesstimate".
- (3) Use your repair expense data, if available. One percent of original price for each year machine is kept is a rough estimate; e.g., 10% per year if machine is to be used for 10 years.

## The Oklahoma Cooperative Extension Service

### *Bringing the University to You!*

The Cooperative Extension Service is the largest, most successful informal educational organization in the world. It is a nationwide system funded and guided by a partnership of federal, state, and local governments that delivers information to help people help themselves through the land-grant university system.

Extension carries out programs in the broad categories of agriculture, natural resources and environment; family and consumer sciences; 4-H and other youth; and community resource development. Extension staff members live and work among the people they serve to help stimulate and educate Americans to plan ahead and cope with their problems.

Some characteristics of the Cooperative Extension system are:

- The federal, state, and local governments cooperatively share in its financial support and program direction.
- It is administered by the land-grant university as designated by the state legislature through an Extension director.
- Extension programs are nonpolitical, objective, and research-based information.
- It provides practical, problem-oriented education for people of all ages. It is designated to take the knowledge of the university to those persons who do not or cannot participate in the formal classroom instruction of the university.
- It utilizes research from university, government, and other sources to help people make their own decisions.
- More than a million volunteers help multiply the impact of the Extension professional staff.
- It dispenses no funds to the public.
- It is not a regulatory agency, but it does inform people of regulations and of their options in meeting them.
- Local programs are developed and carried out in full recognition of national problems and goals.
- The Extension staff educates people through personal contacts, meetings, demonstrations, and the mass media.
- Extension has the built-in flexibility to adjust its programs and subject matter to meet new needs. Activities shift from year to year as citizen groups and Extension workers close to the problems advise changes.

The authors gratefully acknowledge Derrel Kletke, Professor Emeritus, for his past contribution to this publication.

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Issued in furtherance of Cooperative Extension work, acts of May 8 and June 30, 1914, in cooperation with the U.S. Department of Agriculture, the Director of Cooperative Extension Service, Oklahoma State University, Stillwater, Oklahoma. This publication is printed and issued by Oklahoma State University as authorized by the Vice President, Dean, and Director of the Division of Agricultural Sciences and Natural Resources and has been prepared and distributed at a cost of 42 cents per copy. Revised 0214 GH Revised.