

**Jalapeño PEPPERS: FRESH MARKET, TRICKLE IRRIGATED**  
**Kentucky Estimated per Acre Costs and Returns for 2017**  
**Large Scale (5 or more acres trickle irrigated)\***  
**NOT TO BE CONSIDERED CROPPING RECOMMENDATIONS OR PROFITABILITY**  
**PROJECTIONS. FOR COMPARISON AND PLANNING PURPOSES ONLY.**



	Quantity	Unit	\$/Unit	Total	
<b>GROSS RETURNS</b>					
Jalapeño Peppers (1/2-bu. box)	2000	box	\$ 7.50	\$ 15,000.00	a,b
					<b>Boxes harvested/ packed/hour 10</b>
					<b>Your Numbers</b>
<b>VARIABLE COSTS</b>					
<b>Production</b>					
Plants	14.5	1000	\$ 200.00	\$ 2,900.00	
Transplant Labor	24	hours	\$ 12.50	\$ 300.00	
N Fertilizer: Preplant Urea	100	lbs	\$ 0.40	\$ 40.00	
Starter Liquid Fertilizer	9.06	lbs	\$ 3.00	\$ 27.18	
N Fertilizer: Calcium Nitrate fertigation	580	lbs	\$ 0.45	\$ 261.00	h
Black Plastic/Drip Lines	1	acre	\$ 555.00	\$ 555.00	d
Herbicides	1	acre	\$ 46.50	\$ 46.50	e
Insecticides	1	acre	\$ 107.08	\$ 107.08	e
Fungicides	1	acre	\$ 499.20	\$ 499.20	e
Irrigation	90	hrs.	\$ 0.40	\$ 36.00	c
Machinery Variable Costs	1	acre	\$ 46.23	\$ 46.23	f
<b>Total Preharvest Variable Costs</b>				<b>\$ 4,818.19</b>	
<b>HARVESTING AND MARKETING</b>					
Boxes	2000	boxes	\$ 1.15	\$ 2,300.00	
Harvest Lugs/Buckets	25	each	\$ 20.00	\$ 500.00	
Plastic Disposal Labor	18	hours	\$ 12.50	\$ 225.00	
Harvest and Postharvest Hired Labor					
Harvest & Pack	\$ 1.25	box		\$ 2,500.00	g
Marketing Costs (10% of Gross)	10.0%	gross		\$ 1,500.00	
Hauling Variable Costs	2000	boxes	\$ 0.10	\$ 200.00	f
<b>Total Harvesting and Marketing Cost</b>				<b>\$ 7,225.00</b>	
Interest on Variable Costs				\$ 252.92	
<b>TOTAL VARIABLE COST</b>				<b>\$ 12,296.11</b>	
<b>RETURN ABOVE VARIABLE COSTS</b>				<b>\$ 2,703.89</b>	
<b>FIXED COSTS</b>					
Machinery and Equipment				\$ 214.16	f
Harvest Crate Replacement				\$ 160.00	
Depreciation on Irrigation System				\$ 328.40	
Taxes on Land				\$ 5.00	
Insurance				\$ 75.00	
<b>TOTAL FIXED COSTS</b>				<b>\$ 782.56</b>	
<b>TOTAL EXPENSES</b>				<b>\$ 13,078.67</b>	
<b>RETURN TO OPERATOR LABOR, LAND, CAPITAL, &amp; MGT.</b>				<b>\$ 1,921.33</b>	
Operator and Unpaid Family Labor	40	hrs.	\$ 15.00	\$ 600.00	
<b>RETURN TO LAND, CAPITAL, AND MANAGEMENT</b>				<b>\$ 1,321.33</b>	

- a Reflects average to above-average yields for plasticulture.
  - b Price based on USDA AMS Shipping Point and Ky. auction prices, 2016.
  - c Assumes charge for power/fuel for irrigation. Municipal water will add much higher cost.
  - d Based on 2015 UK estimate for trickle irrigation and 2017 estimate.
  - e Pesticide costs based on recommended applications of various products using 2017 product costs.
  - f Machinery costs based on typical operations and 2017 machinery costs, according to machinery cost generator.
  - g Based on past Kentucky budgets with increases for increasing wage rates; compares similarly to pepper labor estimates from university budgets published in South Carolina, Mississippi.
  - h Fertilizer assumption: 4 pounds calcium nitrate per week per 1000 plants.
  - \* Farm has 5 or more acres total in trickle-irrigated crops
- Budget based on 7260 row feet.