

Custom Rates for Mississippi Agricultural Practices

Often Mississippi producers need additional help with farm and ranch operations where special or additional equipment is needed. Additionally, farmers are sometimes presented with opportunities to gain additional income by providing custom services for other farmers who lack the time or equipment to perform these services themselves.

For producers who have adequate or surplus machinery and time, the idea of spreading fixed costs over additional acres is appealing. For the custom work to be economically beneficial for the equipment owner, the custom rate must at least cover fixed and direct costs and provide some additional return. As additional hours are added to the annual use of equipment, per-acre fixed costs are reduced. However, overall annual repairs and maintenance can be expected to increase, thus increasing total direct costs.

Farmers desiring to have custom work performed may benefit in several ways, including lower capital and labor costs, tax advantages, and/or economic opportunities through new or additional crops. Also, the ability to complete field operations in a timely manner can have significant economic benefits. However, those desiring to perform or have custom work performed should remember that there are certain risks involved in custom work, including timeliness of the work, quality of the work, and field contamination of weeds or insects.

To provide a guideline for custom charges, agricultural economists with the Mississippi State University Extension Service surveyed producers across the state in the spring and summer of 2024. The tables in this publication show the number of responses to the surveyed questions, the range of responses, and an average of the reported charges. The tables also show costs for each operation as reported in the Mississippi State University Planning Budgets (MSPB) for 2024 where available.

This average cost should be viewed as a cost per hour or per acre for a producer who owned that piece of equipment and used it an average number of hours on the farm. This cost would include both fixed (cost of ownership) and variable costs (fuel, labor) to operate it. For a producer to provide custom work, a percent markup above costs is to be expected. Previous reports have suggested a markup ranging from 20 to 40 percent above the cost of operation. This markup is needed to provide an incentive to perform custom work as well as to cover costs from unexpected repairs from using the equipment in unfamiliar areas.

This publication is a guide intended to help producers make decisions regarding planting additional acreage for which they do not have adequate equipment, or for jobs or services that would be performed only periodically. It is always best to secure custom operators and determine the actual expense before planting a crop that will require custom work.

This publication is only a guide. Understand that custom rates are often negotiable. Also, per-acre costs and hours of annual use will likely vary for each producer and operation, so producers should use their own costs whenever possible. Additionally, input costs and interest rates could change at any time. Producers should consider any needed adjustments accordingly.

The authors wish to thank the Extension agents, custom operators, and producers for taking the time to answer the survey questionnaire. Also, thanks to the Mississippi Farm Bureau Federation and Delta Council for helping to distribute the survey and encouraging participation.

Table 1. Tractor rental rates (\$/hour).

Size	Number of Responses	Min. Reported Cost	Max. Reported Cost	Avg. Reported Cost	MSPB Cost
Less than 100 HP	10	\$15.00	\$125.00	\$54.00	\$42.00 (average of tractors under 100 HP)
100–149 HP	13	\$20.00	\$150.00	\$71.00	\$72.00
150–250 HP	13	\$20.00	\$250.00	\$112.00	\$107.00
Greater than 250 HP	12	\$20.00	\$400.00	\$131.00	\$215.00

Table 2. Land tillage (\$/ac).

Equipment Type	Number of Responses	Min. Reported Cost	Max. Reported Cost	Avg. Reported Cost	MSPB Cost
Mold board plow	2	\$14.00	\$20.00	\$17.00	\$27.68
Chisel plow	9	\$13.00	\$25.00	\$17.33	\$10.69
Disk	12	\$13.00	\$25.00	\$16.83	\$15.67
Subsoiling	7	\$15.00	\$25.00	\$19.86	\$25.08
V-ripping	4	\$16.00	\$25.00	\$20.25	\$18.41
Tandem disking	7	\$15.00	\$20.00	\$18.00	\$15.27
Offset disking	3	\$15.00	\$20.00	\$17.67	\$16.47
Field cultivating	10	\$12.00	\$20.00	\$16.50	\$10.04
Disk bed – hipper	8	\$12.00	\$20.00	\$15.88	\$13.06
Stalk cut/shredding	5	\$12.50	\$20.00	\$17.10	\$15.75
Row cultivating	6	\$12.00	\$20.00	\$15.25	\$11.39

Table 3. Planting (\$/ac; includes cost for equipment operator, machine, and fuel but no inputs).

Crop	Number of Responses	Min. Reported Cost	Max. Reported Cost	Avg. Reported Cost	MSPB Cost
Row crops (cotton, corn, soybean)	14	\$10.00	\$25.00	\$19.07	\$12.47
Drilling (small grains, sorghum, soybeans)	11	\$10.00	\$25.00	\$18.59	\$19.80
No-till planting (row crops)	9	\$14.00	\$25.00	\$20.78	\$19.88
No-till planting (small grains)	10	\$14.00	\$25.00	\$19.70	\$24.84
Peanuts	1	\$20.00	\$20.00	\$20.00	\$17.57
Drilling rice	5	\$14.00	\$20.00	\$17.80	\$17.27
Drilling grass crops	2	\$15.00	\$20.00	\$17.50	\$19.16
Sprigging grass	1	\$50.00	\$50.00	\$50.00	\$100.00

Table 4. Spray applications (\$/ac; includes cost of operator, machine, and fuel but no inputs).

Type	Number of Responses	Min. Reported Cost	Max. Reported Cost	Avg. Reported Cost	MSPB Cost
Tractor broadcast	4	\$7.00	\$125.00	\$37.50	\$4.00
Spray rig broadcast	10	\$6.50	\$12.00	\$8.65	\$7.00
Tractor banded	0				\$4.00
Tractor hooded	0				\$7.50
Aerial 3 gallon	2	\$7.00	\$8.00	\$7.50	\$6.87
Aerial 5 gallon	5	\$7.00	\$9.00	\$8.05	\$8.11
Aerial 10 gallon	2	\$7.50	\$11.50	\$9.50	\$10.57

Table 5. Cotton harvest (\$/lb of lint).

Type	Number of Responses	Min. Reported Cost	Max. Reported Cost	Avg. Reported Cost	MSPB Cost
On-board modules	3	\$0.12	\$0.15	\$0.14	\$0.13
Basket picker	1	\$0.12	\$0.12	\$0.12	\$0.08

Table 6. Combine (\$/ac).

Type	Number of Responses	Min. Reported Cost	Max. Reported Cost	Avg. Reported Cost	MSPB Cost
Peanuts	1	\$45.00	\$45.00	\$45.00	\$143.52
Corn	8	\$40.00	\$55.00	\$47.00	\$42.78
Soybeans	8	\$35.00	\$55.00	\$43.00	\$38.07
Rice	3	\$55.00	\$85.00	\$70.00	\$60.95
Wheat	5	\$35.00	\$50.00	\$41.00	\$39.76
Grain sorghum	0				\$39.96

Table 7. Hauling grain (\$/bu).

Type	Number of Responses	Min. Reported Cost	Max. Reported Cost	Avg. Reported Cost	MSPB Cost
Corn	4	\$0.20	\$0.40	\$0.31	\$0.23–\$0.35
Soybeans	5	\$0.20	\$0.35	\$0.29	
Rice	2	\$0.20	\$0.40	\$0.30	
Wheat	3	\$0.20	\$0.35	\$0.30	
Grain Sorghum	1	\$0.35	\$0.35	\$0.35	

Table 8. Grain storage (\$/bu).

Type	Number of Responses	Min. Reported Cost	Max. Reported Cost	Avg. Reported Cost	MSPB Cost
Per month	7	\$0.03	\$0.15	\$0.05	N/A
Per year	5	\$0.20	\$0.50	\$0.33	N/A

Table 9. Grain drying (\$/bu).

Type	Number of Responses	Min. Reported Cost	Max. Reported Cost	Avg. Reported Cost	MSPB Cost
Rice per bushel	2	\$0.40	\$0.65	\$0.53	\$0.40
Corn per bushel	0				
Grain sorghum per bushel	0				
Peanuts per ton	0				\$24.00

Table 10. Crop consultant use (\$/ac).

Type	Number of Responses	Min. Reported Cost	Max. Reported Cost	Avg. Reported Cost	MSPB Cost
Field scouting	10	\$6.00	\$9.00	\$7.40	\$8.00
Marketing	2	\$3.00	\$7.50	\$5.25	N/A

Table 11. Fertilizer application (\$/ac).

Type	Number of Responses	Min. Reported Cost	Max. Reported Cost	Avg. Reported Cost	MSPB Cost
Dry uniform rate	5	\$6.50	\$15.00	\$9.00	\$7.50
Dry variable rate	1	\$8.00	\$8.00	\$8.00	N/A
Liquid uniform rate	3	\$8.00	\$16.00	\$12.30	\$7.50
Aerial uniform rate	3	\$9.00	\$18.35	\$13.60	\$8.00
Aerial variable rate	2	\$10.00	\$12.00	\$11.00	N/A

Table 12. Lime and manure application (\$/ac).

Type	Number of Responses	Min. Reported Cost	Max. Reported Cost	Avg. Reported Cost	MSPB Cost
Lime uniform rate	2	\$14.00	\$30.00	\$22.00	\$65.00 (includes product)
Lime variable rate	2	\$20.00	\$50.00	\$35.00	N/A
Manure uniform rate	3	\$9.50	\$40.00	\$21.00	N/A
Manure variable rate	1	\$40.00	\$40.00	\$40.00	N/A

Table 13. Soil sampling costs (\$/sample for composite; \$/ac for grid sampling).

Type	Number of Responses	Min. Reported Cost	Max. Reported Cost	Avg. Reported Cost	MSPB Cost
Composite sample	2	\$14.00	\$30.00	\$22.00	N/A
Grid sampling (1 acre)	1	\$10.00	\$10.00	\$10.00	N/A
Grid sampling (2.5 acres)	4	\$8.00	\$10.50	\$9.10	\$10.00
Grid sampling (5 acres)	4	\$2.00	\$8.50	\$6.38	N/A
Grid sampling (10 acres)	3	\$1.00	\$6.00	\$4.33	N/A
Grid sampling (greater than 10 acres)	3	\$0.75	\$6.00	\$3.67	N/A

Table 14. Land leveling.

Type	Number of Responses	Min. Reported Cost	Max. Reported Cost	Avg. Reported Cost	MSPB Cost
Per cubic yard	3	\$1.20	\$1.55	\$1.42	N/A
Per hour	3	\$126.00	\$260.00	\$212.00	N/A

Table 15. Pond construction.

Type	Number of Responses	Min. Reported Cost	Max. Reported Cost	Avg. Reported Cost	MSPB Cost
Per hour	2	\$125.00	\$260.00	\$192.50	N/A

Table 16. Bush hogging.

Type	Number of Responses	Min. Reported Cost	Max. Reported Cost	Avg. Reported Cost	MSPB Cost
Per acre	2	\$20.00	\$25.00	\$22.50	\$7.64
Per hour	5	\$30.00	\$125.00	\$72.00	\$68.76

Table 17. Bulldozer.

Type	Number of Responses	Min. Reported Cost	Max. Reported Cost	Avg. Reported Cost	MSPB Cost
Per acre	2	\$110.00	\$1,600.00	\$855.00	N/A
Per hour	2	\$66.00	\$130.00	\$101.50	N/A

Table 18. Haying operations.

Type	Number of Responses	Min. Reported Cost/ Bale	Max. Reported Cost/ Bale	Avg. Reported Cost/ Bale	MSPB Cost/Acre
Small bale (baling only)	2	\$2.00	\$4.00	\$3.00	\$19.01
Complete (under 1,500-pound bale)	4	\$10.00	\$38.00	\$24.50	N/A
Complete (over 1,500-pound bale)	3	\$13.00	\$50.00	\$31.00	\$70.24
Complete (with full wrap under 1,500-pound bale)	4	\$30.00	\$42.00	\$34.25	N/A
Complete (with full wrap baling only under 1,500-pound bale)	2	\$35.00	\$40.00	\$37.50	N/A
Baling only (under 1,500-pound bale)	1	\$45.00	\$45.00	\$45.00	\$23.59
Baling only (over 1,500-pound bale)	1	\$15.00	\$15.00	\$15.00	\$29.30
Baling only (with full wrap under 1,500-pound bale)	2	\$10.00	\$15.00	\$12.50	N/A
Baling only (with full wrap baling only under 1,500-pound bale)	2	\$13.00	\$45.00	\$29.00	N/A

Table 19. Fence building (\$/ft).

Type	Number of Responses	Min. Reported Cost	Max. Reported Cost	Avg. Reported Cost	MSPB Cost
Barbed wire (labor only)	3	\$1.55	\$1.65	\$1.62	N/A
Net wire (labor only)	4	\$1.80	\$2.75	\$2.20	N/A
4-strand barbed wire (labor and materials)	5	\$3.20	\$3.85	\$3.62	N/A

Table 20. Cattle operation practices (\$/animal; labor only).

Type	Number of Responses	Min. Reported Cost	Max. Reported Cost	Avg. Reported Cost	MSPB Cost
Artificial insemination	5	\$5.00	\$70.00	\$25.40	N/A
Pregnancy testing	3	\$5.00	\$7.00	\$6.00	N/A
Cattle spraying	1	\$3.00	\$3.00	\$3.00	N/A
Cattle processing (dehorning, branding, castrating, vaccinating, deworming)	2	\$30.00	\$30.00	\$30.00	N/A

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