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Ohio Farm Custom Rates 2012

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A large number of Ohio farmers hire out for machinery operations and other farm related work. This is often due to lack of proper equipment, lack of time, or lack of expertise for a particular operation. Many farm business owners do not own the necessary equipment for every possible job; instead of purchasing the equipment needed, they seek out someone with the proper tools necessary to complete the job. Farm work that is completed by others is often referred to as “custom farm work” or, more simply, “custom work.” A “custom rate” is the amount agreed upon by both parties to be paid by the custom work customer to the custom work provider.

The custom rates reported in this publication are based on a statewide survey conducted in 2012 of 122 farmers, custom operators, farm managers, and landowners. These rates, except where noted, include the implement and tractor if required, all variable machinery costs such as fuel, oil, lube, twine, etc., and the labor for the operation.

Some of the custom rates published here have a wide range. Possible explanations are the type or size of equipment used, size/shape of fields, condition of the crop (for harvesting operations), the value of labor, the mix of labor and equipment used, and the different income needs of full-time custom operators versus farmers supplementing their income. Also, some custom operations are provided at bargain rates due to family relationships between the parties or due to

the fact that custom providers may see an increased probability of eventually securing the custom farmed farmland in a cash rental or other rental agreement.

Average custom rates reported in this publication are a simple average of all the survey responses. The “Low” and “High” rates represent \pm one standard deviation around the average. (Standard deviation is a measure of the variability of the survey responses; one standard deviation both above and below the average includes approximately two-thirds of all survey responses.)

Charges may be added if the custom provider considers a job abnormal. A job may be considered abnormal due to the distance from the operator’s base location, the difficulty of the terrain, the amount of product or labor involved with the operation, or other special requirements of the custom work customer.

There is no assurance that the average rates reported in this publication will cover your total costs for performing the custom service or that you will be able to hire a custom operator for the average rate published in this fact sheet. Calculate your own costs carefully before determining the rate to charge or pay. Before entering into an agreement, discuss all of the details of the specific job with the other party.

Fuel prices impact custom rates, and rates may fluctuate based on large movements in fuel prices. The approximate price of diesel fuel at the time of this survey was \$3.75–\$4.00 per gallon for off-road (farm) usage.

Other publications are available that may help in calculating your total costs of performing a given custom operation. Some of the available online resources that may be of assistance include the following:

- Machinery Cost Estimates (<http://faculty.apec.umn.edu/wlazarus/documents/machdata.pdf>)
- Farm Economics Facts and Opinions (www.farmdoc.illinois.edu/manage/index.asp)
- Estimating Farm Machinery Costs (www.extension.iastate.edu/agdm/crops/html/a3-29.html)

	Average	High	Low
Soil Preparation			
Stalk Chopper / Acre	\$10.40	\$12.60	\$8.30
Moldboard Plow /Acre	\$18.20	\$23.30	\$13.10
Chisel Plow /Acre	\$15.10	\$19.60	\$10.50
Disk Chisel / Acre	\$17.90	\$22.50	\$13.20
Disk-Tandem /Acre	\$13.70	\$17.10	\$10.20
Disk-Offset / Acre	\$15.20	\$16.00	\$14.75
Soil Finishing / Acre	\$14.20	\$18.30	\$10.10
Field Cultivator /Acre	\$11.30	\$14.40	\$8.30
Subsoiling / Acre	\$20.30	\$23.90	\$16.70
V-Ripping / Acre	\$22.10	\$26.50	\$17.70
Strip Tillage /Acre	\$19.00	\$22.30	\$15.80
Fertilizer Application—Ground			
Dry Bulk / Acre	\$5.80	\$7.30	\$4.30
Liquid—Sprayed / Acre	\$6.00	\$6.60	\$5.40
Anhydrous / Acre	\$12.10	\$15.20	\$9.00
Lime / Acre	\$7.20	\$10.30	\$4.10
Chemical Control of Weeds or Insects			
Spraying—Self-Propelled / Acre	\$7.00	\$8.60	\$5.30
Spraying—Pull Type / Acre	\$6.10	\$8.30	\$4.00
Highboy Spraying / Acre	\$7.30	\$9.60	\$5.00
Mechanical Weed Control			
Rotary Hoeing / Acre	\$8.00	\$8.90	\$6.30
Planting Operations: Conventional Till			
Plant Corn 30" / Acre	\$15.60	\$18.30	\$12.80
Plant Corn w/ Fertilizer Attachments 30" / Acre	\$18.20	\$23.10	\$13.40
Plant Soybeans 15" / Acre	\$16.00	\$19.10	\$12.90

	Average	High	Low
Planting Operations: Conventional Till (cont'd.)			
Drill Soybeans / Acre	\$15.50	\$19.80	\$11.20
Drill Small Grains / Acre	\$15.40	\$19.80	\$10.80
Planting Operations: No-Till			
Plant Corn 30" / Acre	\$16.60	\$19.40	\$13.80
Plant Corn w/ Fertilizer Attachments 30" / Acre	\$18.70	\$22.70	\$14.60
Plant Soybeans 15" / Acre	\$17.10	\$21.40	\$12.80
Drill Soybeans / Acre	\$16.70	\$20.00	\$13.30
Drill Small Grains / Acre	\$15.40	\$18.70	\$11.60
Grass / Legume / Pasture Seeding			
Broadcast / Acre	\$8.10	\$10.60	\$5.60
Grain Drill / Acre	\$15.70	\$22.00	\$9.40
Grain Harvest			
Harvest Corn (Combine, cart, haul to farm storage) / Acre	\$31.00	\$37.00	\$24.00
Harvest Soybeans (Combine, cart, haul to farm storage) / Acre	\$28.50	\$33.00	\$24.00
Harvest Wheat (Combine, cart, haul to farm storage) / Acre	\$28.00	\$33.00	\$23.00
Combine Corn / Acre	\$27.00	\$33.00	\$21.00
Combine Soybeans / Acre	\$26.00	\$32.00	\$20.50
Combine Small Grains / Acre	\$25.00	\$30.00	\$20.00
Grain Cart / Acre	\$5.00	\$7.00	\$3.00
Grain Storage—On Farm			
Storage / Bushel / Month	\$0.04	\$0.06	\$0.02
Storage / Bushel / Year	\$0.30	\$0.42	\$0.19
Grain Drying			
Cost per Point of Moisture Removed / Bushel	\$0.08	\$0.11	\$0.05
Grain Haul			
Farm to Market / One Way / Bushel	\$0.17	\$0.26	\$0.08
Farm to Market / One Way / Average Miles	30	63	3
Field to farm / One Way / Bushel	\$0.10	\$0.16	\$0.04
Field to farm / One Way / Average Miles	8	14	3

	Average	High	Low
Custom Farming (All Machinery Operations for Tillage, Planting, Spraying, Tending and Harvest)			
Corn / Acre	\$121.00	\$168.00	\$74.00
Soybeans / Acre	\$105.00	\$144.00	\$65.00
Small Grains / Acre	\$93.00	\$126.00	\$61.00
Hay / Straw Harvest			
Mowing / Acre	\$11.00	\$17.30	\$4.70
Mowing/Conditioning / Acre	\$13.00	\$14.90	\$11.10
Raking / Acre	\$6.60	\$9.40	\$3.90
Tedding / Acre	\$5.70	\$8.90	\$2.50
Baling: Small Square Bales			
Bale/Drop in Field / Bale	\$0.75	\$1.25	\$0.25
Bale/Load on Wagon / Bale	\$0.95	\$1.65	\$0.25
Haul/Store / Bale	\$0.30	\$0.55	\$0.05
Bale/Load/Haul/Store / Bale	\$1.25	\$2.20	\$0.40
Baling: Large Round Bales—1000#			
Bale/Left in Field / Bale	\$7.50	\$9.00	\$6.00
Bale/NetWrap / Bale	\$8.00	\$9.50	\$6.50
Baling: Large Square Bales			
Bale/Left in Field / Bale	\$9.50	\$10.50	\$8.30
Complete Hay Harvest			
% of Crop to Custom Provider	50%	50%	50%
Hired Labor			
Machinery Operation / Hour	\$13.85	\$17.50	\$10.25
Milking Cows / Hour	\$10.20	\$12.50	\$8.00
General Farm Labor / Hour	\$11.50	\$14.50	\$8.70
Average Hours Worked / Week	40	56	23

	Average	High	Low
Drainage and Tile Installation: Drain Plow—Without Materials			
4" Plastic / Foot	\$0.35	\$0.62	\$0.08
Drainage and Tile Installation: Drain Plow—With Materials			
4" Plastic / Foot	\$0.56	\$0.64	\$0.48
Miscellaneous			
Bush Hogging / Acre	\$21.50	\$35.50	\$7.70
Track Hoe / Hour	\$98.00	\$121.00	\$75.00
Snow Removal—Blade / Hour	\$60.00	\$93.50	\$30.00
Hauling Livestock / Loaded / Mile	\$2.20	\$2.80	\$1.65
Bulldozing per Foot of Blade / Hour	\$10.00	\$12.60	\$6.80
Soil Testing / Sample	\$10.00	\$11.70	\$9.50
Grid Soil Sampling / Acre	\$8.00	\$13.00	\$3.00
Machinery Rental			
Tractor / \$ Per Horsepower / Hour	\$0.29	\$0.46	\$0.12
Corn Planter: Conventional / Acre	\$13.75	\$18.00	\$9.50
Corn Planter: No-Till / Acre	\$14.00	\$17.50	\$9.65
Combine / Separator Hour	\$140.00	\$225.00	\$56.00
Grain Drill—Conventional / Acre	\$10.50	\$14.00	\$6.00
Grain Drill—No-till / Acre	\$12.00	\$15.50	\$8.60
Skid Loader / Day	\$145.00	\$225.00	\$64.00
Dry Bulk Fertilizer Applicator / Acre	\$4.50	\$5.75	\$3.40
Liquid Fertilizer Applicator / Acre	\$5.00	\$5.70	\$3.60

Estimating Machinery Rental Rate From Custom Rates Above		
	Your Calculations	Sample Calculations Using Field Cultivator From Custom Rates Above
1. Custom charge including labor, fuel, and tractor:	\$_____per acre	\$11.30 per acre
2. Percent of custom charge for interest, insurance, depreciation, and repairs—excluding fuel and labor. (Use 70% for tillage or 80% for planting and harvesting.):	_____%	70%
3. Rental value including tractor. (Multiply steps 1 and 2 above.):	\$_____per acre	\$7.91 per acre
4. Tractor rental value if tractor is not provided. (Use the following equation): _____HP x \$_____per HP-hour rental rate (From Custom Rates Above) ÷ _____acres per hour <i>*For example: 310 HP x \$.29 per HP-hour rental rate ÷ 33 acres per hour = \$2.72 per acre</i>	\$_____per acre	\$2.72 per acre
5. Implement rental value without tractor. (Subtract step 4 from step 3 above.):	\$_____per acre	\$5.19 per acre

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