

# Department of Agricultural and Resource Economics

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## 2025 Dark Air Cured Tobacco Budget

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*Tori Griffin, Extension Farm Management Specialist*

*Mitchell Richmond, Assistant Professor, Department of Plant Sciences*

*Andy Bailey, Extension Professor, University of Kentucky*

*Bob Pearce, Extension Professor, University of Kentucky*

*Will Snell, Extension Professor, University of Kentucky*



# DARK AIR CURED TOBACCO BUDGET



## 2025 ESTIMATED CONTRACTED TOBACCO COSTS AND RETURNS

5,000 Plants per Acre

ITEM	DESCRIPTION	UNIT	AMOUNT	PRICE	TOTAL	TOTAL	YOUR
			(#/AC)	(\$/UNIT)	(\$/AC)	(\$/LB)	FARM
<b>GROSS REVENUE</b>							
Tobacco Sales	Dark Air Cured Tobacco	lb	2800	\$2.75	\$7,700.00	\$2.75	_____
<b>VARIABLE COSTS</b>							
Transplants	Purchased	1000	5	\$62.50	\$312.50	\$0.11	_____
Fertilization	Dolomite Lime - Spread	ton	1	\$30.00	\$30.00	\$0.01	_____
	Nitrogen - N*	lb	300	\$0.50	\$150.00	\$0.05	_____
	Phosphorus - P	lb	175	\$0.80	\$140.00	\$0.05	_____
	Potassium - K**	lb	250	\$0.70	\$175.00	\$0.06	_____
Herbicides		ac	1	\$91.98	\$91.98	\$0.03	_____
Insecticides		ac	1	\$127.71	\$127.71	\$0.05	_____
Fungicides		ac	1	\$140.98	\$140.98	\$0.05	_____
Sucker Control		ac	1	\$152.75	\$152.75	\$0.05	_____
Cover crop	Wheat	bag	2	\$14.00	\$28.00	\$0.01	_____
Hired Labor***		hr	175	\$19.00	\$3,325.00	\$1.19	_____
Machinery	Fuel/Oil, Repairs	ac	1	\$206.00	\$206.00	\$0.07	_____
Crop Insurance		ac	1	\$250.00	\$250.00	\$0.09	_____
Custom Hire	Spraying (4 times)	ac	1	\$125.00	\$125.00	\$0.04	_____
GAP****	certification		1	\$30.00	\$30.00	\$0.01	_____
Trucking		ac	1	\$150.00	\$150.00	\$0.05	_____
Interest	6 months	\$	\$5,284.92	8.00%	\$211.40	\$0.08	_____
<b>TOTAL VARIABLE COSTS</b>					<b>\$5,646.32</b>	<b>\$2.02</b>	_____
<b>RETURN OVER VARIABLE COSTS</b>					<b>\$2,053.68</b>	<b>\$0.73</b>	_____
<b>FIXED COSTS*****</b>							
Machinery	Depreciation, Insurance, Storage	ac	1	\$185.00	\$185.00	\$0.07	_____
3-Tier Barn	Depreciation, Insurance	ac	1	\$683.00	\$683.00	\$0.24	_____
Tobacco Sticks	Depreciation at 8 years	ac	1	\$62.00	\$62.00	\$0.02	_____
Interest	Barns, Machinery	ac	1	\$237.00	\$237.00	\$0.08	_____
<b>TOTAL FIXED COSTS</b>					<b>\$1,167.00</b>	<b>\$0.42</b>	_____
<b>RETURN TO LAND, OPERATOR LABOR AND MANAGEMENT</b>					<b>\$886.68</b>	<b>\$0.32</b>	_____
Land	Value of Land/Rental Cost	ac	1	\$250.00	\$250.00	\$0.09	_____
<b>RETURN TO OPERATORS LABOR AND MANAGEMENT</b>					<b>\$636.68</b>	<b>\$0.23</b>	_____
Operator Labor	Unpaid Operator and/or Family	hrs	25	\$18.25	\$456.25	\$0.16	_____
<b>RETURN TO MANAGEMENT</b>					<b>\$180.43</b>	<b>\$0.06</b>	_____

Revised February 2025 - Tori M. Griffin, Extension Specialist-Farm Management, UT; with input from Mitchell Richmond, Extension Tobacco Specialist, UT  
 Andy Bailey, Dark Tobacco Specialist, UK, Bob Pearce, Burley Tobacco Specialist, UK, & Will Snell, Ag Economist, UK

\* Nitrogen cost shown was reduced 10% presuming DAP is used as phosphorus source

\*\* Potassium cost includes 100# muriate of potash (60# of K) + 380# sulphate of potash (190# of K)

\*\*\* Labor cost allows for most of H2A related expenses

\*\*\*\* Total GAP certification cost is estimated to be \$300 to \$700 per year per farm

\*\*\*\*\* Fixed Costs are shown to provide long term information on all possible costs of production

This budget is intended as a guide only. Each farm should adjust the estimated income and expenses as appropriate.

**2025 Dark Air Cured Tobacco Budget - Sensitivity Tables**

**TABLE 1. PER ACRE RETURN OVER VARIABLE COSTS  
AT VARYING YIELDS AND PRICES**

Yield per Acre	Average Sale Price Per Pound				
	\$2.40	\$2.50	\$2.60	\$2.70	\$2.80
2500	\$354	\$604	\$854	\$1,104	\$1,354
2600	\$594	\$854	\$1,114	\$1,374	\$1,634
2700	\$834	\$1,104	\$1,374	\$1,644	\$1,914
2800	\$1,074	\$1,354	\$1,634	\$1,914	\$2,194
2900	\$1,314	\$1,604	\$1,894	\$2,184	\$2,474
3000	\$1,554	\$1,854	\$2,154	\$2,454	\$2,754
3100	\$1,794	\$2,104	\$2,414	\$2,724	\$3,034
3200	\$2,034	\$2,354	\$2,674	\$2,994	\$3,314

**TABLE 2. PER ACRE RETURN TO MANAGEMENT  
AT VARYING YIELDS AND PRICES**

Yield per Acre	Average Sale Price Per Pound				
	\$2.40	\$2.50	\$2.60	\$2.70	\$2.80
2500	-\$1,520	-\$1,270	-\$1,020	-\$770	-\$520
2600	-\$1,280	-\$1,020	-\$760	-\$500	-\$240
2700	-\$1,040	-\$770	-\$500	-\$230	\$40
2800	-\$800	-\$520	-\$240	\$40	\$320
2900	-\$560	-\$270	\$20	\$310	\$600
3000	-\$320	-\$20	\$280	\$580	\$880
3100	-\$80	\$230	\$540	\$850	\$1,160
3200	\$160	\$480	\$800	\$1,120	\$1,440

**TABLE 3 PER POUND RETURN OVER VARIABLE COSTS  
AT VARYING YIELDS AND PRICES**

Yield per Acre	Average Sale Price Per Pound				
	\$2.40	\$2.50	\$2.60	\$2.70	\$2.80
2500	\$0.14	\$0.24	\$0.34	\$0.44	\$0.54
2600	\$0.23	\$0.33	\$0.43	\$0.53	\$0.63
2700	\$0.31	\$0.41	\$0.51	\$0.61	\$0.71
2800	\$0.38	\$0.48	\$0.58	\$0.68	\$0.78
2900	\$0.45	\$0.55	\$0.65	\$0.75	\$0.85
3000	\$0.52	\$0.62	\$0.72	\$0.82	\$0.92
3100	\$0.58	\$0.68	\$0.78	\$0.88	\$0.98
3200	\$0.64	\$0.74	\$0.84	\$0.94	\$1.04

**TABLE 4 PER POUND RETURN TO MANAGEMENT  
AT VARYING YIELDS AND PRICES**

Yield per Acre	Average Sale Price Per Pound				
	\$2.40	\$2.50	\$2.60	\$2.70	\$2.80
2500	-\$0.61	-\$0.51	-\$0.41	-\$0.31	-\$0.21
2600	-\$0.49	-\$0.39	-\$0.29	-\$0.19	-\$0.09
2700	-\$0.39	-\$0.29	-\$0.19	-\$0.09	\$0.01
2800	-\$0.29	-\$0.19	-\$0.09	\$0.01	\$0.11
2900	-\$0.19	-\$0.09	\$0.01	\$0.11	\$0.21
3000	-\$0.11	-\$0.01	\$0.09	\$0.19	\$0.29
3100	-\$0.03	\$0.07	\$0.17	\$0.27	\$0.37
3200	\$0.05	\$0.15	\$0.25	\$0.35	\$0.45

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