

2008 Iowa Farm Custom Rate Survey

Many Iowa farmers hire some custom machine work in their farm business, or perform custom work for others. Others rent machinery or perform other services. The information below is based on a survey of 185 Iowa farmers, custom operators, and farm managers. For each operation, the average rate from the survey and the range are shown. Thirty-four percent of the respondents perform custom work, 17 percent hire work done, and 49 percent indicated doing both.

Values below are rates expected to be charged or paid, including fuel and labor. The average price for diesel fuel was assumed to be \$2.75 per gallon. This rate schedule is intended only as a guide. Actual custom rates may vary according to availability of machinery in a given area, timeliness, operator skill, field size and shape, crop conditions, and the performance characteristics of the machine being used. Machinery rental rates can be estimated on the back.

Tillage

	Average	Range
Chopping cornstalks, / acre	\$9.50	6.00 - 15.00
Moldboard plowing, / acre	13.60	10.00 - 16.75
Chisel plowing, / acre	13.70	10.00 - 18.00
Disk/chiseling, / acre	13.90	10.00 - 16.50
Subsoiling (8 to 15 in. deep), / a.	16.00	10.00 - 21.00
V-rip (over 15 in. deep), / acre	16.30	11.00 - 21.25
V-rip with tandem disk, / acre	16.90	12.00 - 21.00
Disking, tandem, / acre	10.20	7.00 - 15.00
Disking, offset, / acre	12.90	9.50 - 16.25
Harrowing, / acre	7.35	5.00 - 10.00
Soil finishing, / acre	11.10	7.00 - 13.50
Field cultivating, / acre	10.10	7.00 - 15.00
Rock picking, / acre	11.90	9.00 - 15.00
Cultivating, / acre	8.60	6.00 - 11.50
Cultivating, ridge-till, / acre	11.70	9.30 - 14.00
Rotary hoeing, / acre	6.70	4.50 - 9.00

Planting

Planter - w/ fert & insect. attach., / a.	\$14.60	8.50 - 28.00
- without attachments, / acre	13.20	9.00 - 17.00
- with splitters, / acre	15.00	11.00 - 22.00
- no-till planter, / acre	15.30	11.00 - 23.00
- ridge till planter, / acre	15.90	14.00 - 18.35
Drilling soybeans, / acre	13.75	10.50 - 18.00
Drilling soybeans, no-till, / acre	14.80	11.75 - 18.75
Drilling small grain, / acre	12.00	8.00 - 16.00
Seeding grass, broadcast with tractor / a.	9.00	6.50 - 11.00
Seeding grass, broadcast with ATV / acre	9.60	6.00 - 12.00

Spraying (materials not included)

Ground, broadcast, tractor, / acre	\$5.60	4.00 - 8.00
Ground, broadcast, s. propelled, / a.	5.90	3.50 - 8.50
Ground, incorporated, / acre	11.35	6.00 - 16.00
Ground, banded, / acre	6.20	5.00 - 7.50
Ground, road ditches / hour	45.40	20.00 - 72.50
Aerial, / acre	7.20	5.00 - 11.00

Fertilizer Application (materials not included)

Dry bulk - applied, / acre	\$3.75	1.50 - 7.00
- strip-till, / acre	14.60	12.00 - 17.50
Liquid - spraying, / acre	5.30	3.75 - 7.00
- strip-till, knifed, / acre	12.90	10.50 - 16.00
Anhydrous - injecting / acre	8.75	5.00 - 15.00
Spreading lime, / ton	6.40	3.75 - 12.00

Harvesting, Drying, and Storing Grain

	Average	Range
Corn harvesting (combine, cart, truck), /a.	\$38.00	24.50 - 52.50
Soybean harvesting (combine, cart, truck), /a.	34.40	24.50 - 43.00
Corn combining, / acre	28.10	20.00 - 36.00
-with chopper head, / acre	31.80	25.00 - 40.00
Soybean combining, / acre	27.10	20.00 - 35.50
Small grain combining, / acre	25.30	20.00 - 30.00
Added charge for GPS mapping, / acre	1.90	0.50 - 5.00
Picking ear corn, / acre (seed corn)	36.10	30.00 - 42.00
Picking ear corn, / acre	26.70	24.00 - 31.70
Drying corn		
- continuous flow dryer (/ point / bu.)	0.044	0.034 - 0.060
- bin dryer (/ point / bu.)	0.037	0.030 - 0.040
Bin dryer rental (/ bu.) no fuel or labor	0.080	0.077 - 0.120
Handling grain by auger, / bu.	0.052	0.020 - 0.170
Storing grain, bin rental / bu. / month	0.034	0.010 - 0.120
Storing grain, bin rental / bu. / year	0.163	0.100 - 0.360
Hauling grain		
-in field, wagon, corn / acre	5.90	2.00 - 10.00
-in field, wagon, soybeans / acre	4.80	2.00 - 8.00
-to storage., wagon, / bu.	0.066	0.030 - 0.100
-storage to mkt., wagon, / bu.	0.084	0.050 - 0.130
-to mkt., truck, / bu., (5 mi. 1-way)	0.083	0.050 - 0.150
-to mkt., truck, / bu., (25 mi. 1-way)	0.145	0.100 - 0.250
-to mkt., truck, / bu., (100 mi. 1-way)	0.288	0.180 - 0.450
Harvesting Forages		
Hay - mowing, / acre	\$10.70	8.50 - 15.00
- conditioning, / acre	9.20	5.00 - 11.10
- mowing/conditioning, / acre	11.80	7.00 - 15.50
- raking, / acre	5.65	2.00 - 10.00
- windrowing, / acre	11.40	10.00 - 13.80
Hay baling - small square, / bale	0.48	0.30 - 0.65
- large square, / bale	8.95	7.00 - 11.00
- large round, / bale	9.20	7.00 - 11.80
- large round with wrapping	10.10	7.00 - 14.00
Straw or corn stalk baling		
- large round / bale	11.20	8.00 - 14.00
- large square, / bale	11.35	9.00 - 13.00
Moving round bales to storage, / bale	3.10	2.00 - 5.00
Hauling round bales, / bale, / loaded mile	0.14	0.03 - 0.33
Silage - chopping, / hr., / row	35.90	27.50 - 46.65
- chop, haul, fill upright, /hr., /row	44.80	37.90 - 50.40
Haylage - chopping, / hr., / 7 foot hd.	86.55	80.00 - 100.00
Mowing CRP acres, / acre	12.50	6.50 - 25.00
Mowing fence rows, ditches, / hr.	48.30	12.00 - 75.00
Chopping brush, / acre	16.50	11.95 - 20.00

ADJUSTING THE CUSTOM RATE CHART FOR HIGHER FUEL PRICES

Figure the percentage change in fuel prices since the survey was undertaken. Fuel makes up approximately 20% of the total cost for planting and harvesting activities. Fuel makes up approximately 25% of the total cost of tillage activities.

Example: if present fuel prices are 20% higher than when the survey was done and you want to set a rate for planting corn, make adjustments as follows:

20% X 20% = 4.2% increase in the rate stated on the custom rate survey.

Miscellaneous Services

	Average	Range
Removing snow (loader), / hr.	\$64.70	25.00 - 100.00
Removing snow (blade), / hr.	63.20	25.00 - 100.00
Removing snow (blower), / hr.	73.10	45.00 - 100.00
Grinding, mixing feed, / ton	8.60	5.00 - 11.00
Spreading liq. manure, inject., / 1000 gal	9.70	8.75 - 12.00
Loading solid manure, / hour	56.50	30.00 - 73.00
Loading, spreading solid manure, / hr	89.40	50.00 - 125.00
Power washing, / hour	28.00	20.00 - 40.00
Building fence, barb, / hr. (no materials)	15.30	12.00 - 20.00
Building fence, barb, / rod (no materials)	10.10	8.00 - 12.00
Building fence, woven, / hr. (no materials)	13.90	11.00 - 16.80
Building fence, woven / rod (no materials)	8.00	7.00 - 8.80
Scouting crops, / acre	3.90	1.00 - 6.25
Soil testing, / sample	8.10	5.00 - 14.00
GPS grid soil testing, / acre	6.30	2.50 - 10.00
Managing stored grain, / bu.	0.04	0.01 - 0.10
Shearing sheep, / head	3.00	2.50 - 4.00
Livestock hauling with trailer, / loaded mile	2.50	2.00 - 3.00
Livestock hauling with truck, / loaded mile	2.75	2.65 - 3.00
Bulldozing, / hr. / ft. of blade	9.85	6.45 - 13.30
Digging post holes, / hole	3.50	3.00 - 4.00
Driving steel fence posts, / post	2.00	1.50 - 3.00
Driving wooden fence posts, / post	3.10	2.60 - 5.00
Building terraces, / foot	1.40	1.20 - 1.70
Trenching, / foot	1.10	0.65 - 1.35
Tiling (ex. materials), / foot	1.00	0.40 - 1.85
Back hoeing, / hour	65.35	50.00 - 80.00
Clearing land, / hour	98.40	65.00 - 120.00
Land rolling, / acre	8.50	4.00 - 11.00
Building ponds, / hour	104.45	95.50 - 120.00
Chain sawing, / hour	31.80	15.00 - 50.00

Machine Rental (operator, tractor, and fuel not included)

	Average	Range
Tractor, / horsepower, / hour	\$0.20	0.13 - 0.30
Grain drill, / acre	8.20	5.00 - 10.00
No-till soybean drill, / acre	9.50	6.00 - 11.20
Corn head for combine, / acre	7.40	5.50 - 10.00
Soybean head for combine, / acre	7.25	6.00 - 8.00
Grain cart with auger, corn, / acre	4.80	2.00 - 6.50
Grain cart with auger, soybeans, / acre	4.30	2.00 - 5.50
Grain wagon, / bu.	0.07	0.03 - 0.12
Grain truck (semi), / bu. / trip	0.10	0.06 - 0.14
Grain auger, / bu.	0.05	0.02 - 0.07
Grain vacuum, / bu.	0.08	0.05 - 0.12
Grain cleaner, / bu.	0.07	0.06 - 0.08
Liquid manure spreader, / hour	24.20	23.70 - 26.00
Solid manure spreader, / hour	30.35	26.60 - 35.00
Skid loader, / hour	45.60	25.00 - 70.00
Dry bulk fertilizer applicator, / acre	1.80	1.00 - 2.25
Liquid fertilizer applicator, / acre	3.50	2.00 - 5.00
Anhydrous fertilizer applicator, / acre	3.30	1.00 - 6.70
Power washer, / hour	25.30	24.00 - 30.00
Tub grinder, / hour	175.00	75.00 - 300.00

Custom Farming - Growing and Harvesting

Corn, / acre	\$94.10	55.00 - 130.00
Soybeans, / acre	83.00	54.00 - 110.00
Small grain, / acre	78.00	68.50 - 90.00

Farm Labor Wages

Machinery operating, / hour	\$11.70	8.00 - 18.00
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Estimating Machinery Rental Rate

Example:
Tandem Disk

1. Custom charge (includes labor, fuel, tractor)	\$ _____/acre	\$10.20
2. Percent of custom charge which is for interest, insurance, depreciation, and repairs (excluding fuel and labor) (use 70% for tillage, 80% for planting and harvesting)	_____ %	70%
3. Rental value, including tractor (1 x 2)	\$ _____/acre	\$7.14
4. Tractor rental value, if tractor is not provided: _____ HP x \$ _____ per hp-hour rental rate (see above) / _____ acres/hour = Ex: 150 HP x \$.20 (per hp-hour rental rate) / 15 acres/hr = \$2.00	\$ _____/acre	\$2.00
5. Implement rental value, without tractor (3 minus 4)	\$ _____/acre	\$5.14/acre

... and justice for all

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File: Economics 1 - 1

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Farm Machinery Economics
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