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# Ohio Farm Custom Rates 2010

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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 2010 of 242 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.

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.

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.

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.

Before entering into an agreement, discuss all of the details of the specific job with the other party. 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 ([www.apec.umn.edu/faculty/wlazarus/documents/machdata.pdf](http://www.apec.umn.edu/faculty/wlazarus/documents/machdata.pdf))
- Farm Economics Facts and Opinions ([www.farmdoc.illinois.edu/manage/index.asp](http://www.farmdoc.illinois.edu/manage/index.asp))
- Estimating Farm Machinery Costs ([www.extension.iastate.edu/agdm/crops/html/a3-29.html](http://www.extension.iastate.edu/agdm/crops/html/a3-29.html))

Fuel prices have an impact on 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 \$2.50 per gallon for off-road (farm) usage.

For the custom rates reported in this publication, the average is a simple average of all the survey re-

sponses. The “Low” and “High” rates represent +/- 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.)

	Low	Average	High
<b>Soil Preparation</b>			
Stalk Chopper / Acre	\$7.00	\$10.10	\$13.05
Moldboard Plow /Acre	\$12.75	\$17.30	\$21.80
Chisel Plow /Acre	\$9.60	\$14.05	\$18.50
Disk Chisel / Acre	\$8.80	\$14.80	\$20.85
Disk-Tandem /Acre	\$8.40	\$12.60	\$16.80
Disk-Offset / Acre	\$7.75	\$14.75	\$21.75
Soil Finishing / Acre	\$7.10	\$11.40	\$15.70
Field Cultivator /Acre	\$6.65	\$11.10	\$15.55
Land Leveling / Acre	\$5.25	\$11.70	\$18.15
Subsoiling / Acre	\$13.00	\$18.15	\$23.25
V-Ripping / Acre	\$13.20	\$18.30	\$23.35
Strip Tillage /Acre	\$13.10	\$17.30	\$21.55
<b>Fertilizer Application—Ground</b>			
Dry Bulk / Acre	\$3.40	\$5.15	\$6.90
Liquid—Knifed / Acre	\$4.20	\$7.65	\$11.10
Liquid—Sprayed / Acre	\$4.60	\$6.45	\$8.30
Anhydrous / Acre	\$7.40	\$10.30	\$13.25
Lime / Acre	\$4.10	\$6.40	\$8.70
Lime / Ton	\$5.05	\$13.10	\$21.10
<b>Chemical Control of Weeds or Insects</b>			
Spraying—Self-Propelled / Acre	\$4.90	\$6.20	\$7.50
Spraying—Pull Type / Acre	\$4.45	\$6.05	\$7.65
Highboy Spraying / Acre	\$3.70	\$7.00	\$10.20
<b>Mechanical Weed Control</b>			
Rotary Hoeing / Acre	\$3.25	\$7.00	\$10.75
Conventional Cultivation / Acre	\$5.95	\$10.35	\$14.70
<b>Aerial Application</b>			
Apply Crop Protection Chemicals / Acre	\$6.80	\$8.30	\$9.75

	Low	Average	High
<b>Planting Operations</b>			
<b>Conventional Till</b>			
Plant Corn 30" / Acre	\$10.55	\$15.70	\$20.85
Plant Corn w/ Fertilizer Attachments 30" / Acre	\$12.40	\$16.90	\$21.35
Plant Soybeans 15" / Acre	\$11.05	\$15.75	\$20.45
Drill Soybeans / Acre	\$10.10	\$14.80	\$19.45
Drill Small Grains / Acre	\$9.85	\$14.80	\$19.75
<b>No-Till</b>			
Plant Corn 30" / Acre	\$11.25	\$16.00	\$20.80
Plant Corn w/ Fertilizer Attachments 30" / Acre	\$12.90	\$18.10	\$23.30
Plant Soybeans 15" / Acre	\$11.30	\$16.10	\$20.90
Drill Soybeans / Acre	\$10.70	\$14.85	\$19.00
Drill Small Grains / Acre	\$10.75	\$15.20	\$19.60
<b>Grass/Legume/Pasture Seeding</b>			
Broadcast / Acre	\$2.95	\$5.60	\$8.25
Grain Drill / Acre	\$8.90	\$14.30	\$19.65
<b>Grain Harvest</b>			
Harvest Corn (Combine, Cart, Haul to Farm Storage) / A	\$22.00	\$27.90	\$33.70
Harvest Soybeans (Combine, Cart, Haul to Farm Storage) / A	\$21.15	\$27.10	\$33.00
Harvest Wheat (Combine, Cart, Haul to Farm Storage) / A	\$20.05	\$26.65	\$33.25
Combine Corn / Acre	\$20.25	\$25.70	\$31.15
Combine Soybeans / Acre	\$19.85	\$25.50	\$31.15
Combine Small Grains / Acre	\$19.40	\$24.65	\$29.85
Grain Cart / Acre	\$3.25	\$4.75	\$6.25

	Low	Average	High
<b>Grain Storage—On-Farm</b>			
Storage / Bushel / Month	\$0.02	\$0.04	\$0.06
Storage / Bushel / Year	\$0.08	\$0.18	\$0.28
<b>Grain Drying</b>			
Cost per Point of Moisture Removed / Bushel	\$0.02	\$0.05	\$0.08
<b>Grain Haul</b>			
Farm to Market / One Way / Bushel	\$0.09	\$0.16	\$0.22
Farm to Market / One Way / Average Miles	3.20	28.50	53.80
Field to Farm / One Way / Bushel	\$0.06	\$0.10	\$0.13
Field to Farm / One Way / Average Miles	4.40	8.60	12.80
<b>Custom Farming (All Machinery Operations for Tillage, Planting, Spraying, Tending and Harvest)</b>			
Corn / Acre	\$55.90	\$97.95	\$139.95
Soybeans / Acre	\$53.30	\$86.65	\$120.05
Small Grains / Acre	\$50.60	\$82.10	\$113.55
<b>Hay/Straw Harvest</b>			
Mowing / Acre	\$6.85	\$11.15	\$15.50
Mowing/Conditioning / Acre	\$8.25	\$12.80	\$17.35
Raking / Acre	\$3.10	\$6.75	\$10.35
Tedding / Acre	\$3.08	\$6.45	\$9.85
<b>Baling</b>			
Small Square Bales			
Bale/Drop in Field / Bale	\$0.26	\$0.65	\$1.00
Bale/Load on Wagon / Bale	\$0.26	\$0.80	\$1.35
Bale/Load/Haul/Store / Bale	\$0.86	\$1.70	\$2.55
<b>Large Round Bales—1500#</b>			
Bale/Left in Field / Bale	\$7.75	\$10.60	\$13.50
Bale/Net Wrap / Bale	\$7.75	\$11.40	\$16.00
Bale and Wrap Wet / Bale	\$12.40	\$16.10	\$19.75
<b>Large Round Bales—1000#</b>			
Bale/Left in Field / Bale	\$5.35	\$6.80	\$8.25
Bale/Net Wrap / Bale	\$5.75	\$7.70	\$9.65
<b>Large Square</b>			
Bale/Left in Field / Bale	\$6.90	\$9.40	\$11.85
<b>Complete Hay Harvest</b>			
% of Crop to Custom Provider	47.00%	55.00%	64.00%

	Low	Average	High
<b>Silage Harvest</b>			
Chop Corn Silage / Ton	\$4.00	\$5.30	\$6.60
Chop Haylage / Ton	\$4.65	\$6.65	\$8.60
Fill Silage Bag / Ton	\$4.10	\$4.65	\$5.25
<b>Hired Labor</b>			
Machinery Operation / Hour	\$7.50	\$11.95	\$16.45
Milking Cows / Hour	\$7.60	\$9.45	\$11.30
General Farm Labor / Hour	\$7.85	\$9.90	\$11.95
Average Hours Worked / Week	22.00	37.00	51.00
<b>Drainage and Tile Installation</b>			
<b>Ditch Mach.—Without Materials</b>			
4" Plastic / Foot	\$0.12	\$0.31	\$0.49
5" Plastic / Foot	\$0.21	\$0.45	\$0.68
6" Plastic / Foot	\$0.21	\$0.47	\$0.72
<b>Drain Plow—Without Materials</b>			
4" Plastic / Foot	\$0.17	\$0.23	\$0.29
<b>Miscellaneous</b>			
Bush Hogging / Acre	\$7.60	\$13.70	\$19.80
Digging Post Holes / Hole	\$4.15	\$6.50	\$8.90
Income Tax Preparation / Hour	\$63.40	\$107.80	\$152.15
Income Tax Preparation / Return	\$105.00	\$368.00	\$632.00
Farm Account Summary / Return	\$80.00	\$265.00	\$450.00
Track Hoe / Hour	\$52.00	\$84.50	\$117.00
Snow Removal: Front End Loader / Hour	\$27.40	\$65.50	\$103.50
Snow Removal: Blade / Hour	\$38.20	\$55.50	\$73.00
Snow Removal: Blade Plus Salt Application / Hour	\$45.30	\$72.00	\$98.50
Hauling Livestock / Loaded / Hour	\$0.93	\$1.70	\$2.46
Bulldozing per Foot of Blade / Hour	\$6.00	\$9.80	\$12.50
Soil Testing / Sample	\$5.60	\$9.65	\$13.65
Soil Testing / Acre	\$2.00	\$6.40	\$10.80
Grid Soil Sampling / Acre	\$5.20	\$8.10	\$11.05
Power Washing / Hour	\$10.50	\$28.75	\$47.00

	Low	Average	High
<b>Machinery Rental</b>			
Tractor / \$ per Horsepower / Hour	\$0.22	\$0.27	\$0.32
Corn Planter: Conventional / Acre	\$8.00	\$13.00	\$18.00
Corn Planter: No-Till / Acre	\$8.60	\$14.85	\$21.05
Combine / Separator Hour	\$75.10	\$120.00	\$164.90
Combine / Acre	\$16.80	\$22.00	\$27.20
Grain Drill—Conventional / Acre	\$6.40	\$10.50	\$14.60
Grain Drill—No-Till / Acre	\$7.55	\$11.90	\$16.35
Skid Loader / Day	\$73.40	\$126.80	\$180.20
Dry Bulk Fertilizer Applicator / Acre	\$3.50	\$5.40	\$7.30
Liquid Fertilizer Applicator / Acre	\$3.20	\$5.65	\$8.10
Anhydrous Ammonia Applicator / Acre	\$4.95	\$7.65	\$10.40

<b>Estimating Machinery Rental Rate From Custom Rates Above</b>		
	Your Calculations	Sample Calculations Using Field Cultivator From Custom Rates Above
1. Custom charge including labor, fuel, and tractor:	\$_____per acre	\$11.10 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	\$7.77 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: 260 HP x \$.27 per HP-hour rental rate ÷ 33 acres per hour = \$2.13 per acre</i>	\$_____per acre	\$2.13 per acre
5. Implement rental value without tractor. (Subtract step 4 from step 3 above.):	\$_____per acre	\$5.64 per acre

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