2023 Indiana Farm Custom Rates

By Michael Langemeier

The rates reported in this publication were compiled from questionnaires received from farmers, farm owners, farm custom operators, and professional farm managers in Indiana. Purdue Extension educators and specialists developed the questionnaire. Purdue Educators distributed the questionnaires at meetings and events statewide during the last month of 2022 and the first three months of 2023. Respondents were asked to report custom rates they had either paid or received during the past year. We are grateful to the 81 survey respondents who provided information for this publication.

Unless otherwise stated, the rates reported include payments made for fuel, operator labor, and machinery ownership costs. For each operation, the average of the responses received is reported. The variation of rates around the average is reported when the number of respondents for a question was at least 30. The variation is the average rate plus and minus one standard deviation. Approximately two-thirds of the responses would be expected to fall between the high and low numbers used to summarize the extent of the variation. Larger standard deviations in relation to reported averages indicate greater variability in the reported custom rates. For several of the operations the custom rates reported varied widely. In general, operations for which fewer than five responses were received are not reported here. A small number of responses signals report users to be extra cautious when using the survey results.

Farm custom rates may differ significantly from one area in the state to another based on availability of custom operators and demand for their services. Therefore, the statewide averages reported here might be quite different from the going rate in any given area. Custom rates in a given area may vary significantly according to timeliness, operator skill, field size and shape, crop conditions, the performance characteristics of the machine being used, the relationship between the custom operator and the person needing custom work done, competitive pressures, and economic circumstances of the custom operator. The variation of reported rates was large for many of the operations and thus should only be used as a starting point for establishing a rate in any given situation.

In Indiana, custom work is often done by neighbors that also farm after they complete their own work. In these situations, the custom operator may charge a custom rate that is well below the full cost of owning and operating their farm machinery either to build goodwill or to more fully utilize their machinery capacity. For that reason, readers of this publication should not interpret the average rates reported here as indicative of the total cost of completing these operations. Custom operators who extensively engage in custom work should estimate the full ownership and operating costs of their services before agreeing to work for the “going rate” in their area.

Land Preparation Operations					
Operation	**Unit**	**Responses**	**Average**	**Variation**	
Shredding Corn Stalks	$/acre	3	14.00		
Chisel Plowing	$/acre	8	17.88		
Vertical Tillage	$/acre	22	16.80		
Disking with Tandom Disk	$/acre	15	15.23		
Field Cultivating	$/acre	18	15.58		
V-Ripping or Sub-Soiling	$/acre	17	20.93		
Fertilizer and Chemical Application Operations					
Fertilizer Application - Ground	**Unit**	**Responses**	**Average**	**Variation**	
Broadcasting Bulk Dry Fertilizer	$/acre	26	8.06		
Spraying Liquid Fertilizer	$/acre	13	8.25		
Knifing-In Liquid Fertilizer	$/acre	7	13.39		
Anhydrous Application Pre-Plant	$/acre	8	14.63		
Side-Dress Anhydrous Application	$/acre	10	15.41		
Spreading Manure	$/acre	7	15.14		
Chemical Application	**Unit**	**Responses**	**Average**	**Variation**	
Tractor and Sprayer	$/acre	5	9.55		
Self-Propelled Sprayer	$/acre	37	8.01	6.02	10.00
Aerial Sprayer	$/acre	11	13.80		
Precision Agriculture	**Unit**	**Responses**	**Average**	**Variation**	
Precision Fertilizer Application	$/acre	12	8.77		
Precision Chemical Application	$/acre	8	8.84		
Grain Planting Operations					
Operation	**Unit**	**Responses**	**Average**	**Variation**	
Conventional Till Corn - 30" row	$/acre	28	19.19		
No-Till Corn - 30" row	$/acre	32	21.99	15.36	28.62
Conventional Till Soybeans - 15" row	$/acre	21	19.20		
No-Till Soybeans - 15" row	$/acre	29	20.18		
Conventional Till Soybeans - Drilled	$/acre	5	18.40		
No-Till Soybeans - Drilled	$/acre	11	19.73		
Conventional Till Small Grains	$/acre	6	20.00		
No-Till Small Grains	$/acre	9	18.89		
Grain Harvesting Operations					
Operation	**Unit**	**Responses**	**Average**	**Variation**	
Corn - Combine Only	$/acre	38	34.91	28.49	41.32
Soybeans - Combine Only	$/acre	38	34.83	28.15	41.51
Small Grain - Combine Only	$/acre	15	35.27		
Corn - Combine and Haul to Bin	$/acre	23	41.78		
Soybeans - Combine and Haul to Bin	$/acre	27	39.70		
Small Grain - Combine and Haul to Bin	$/acre	13	42.54		

Hiring Machinery and Operator for All Growing and Harvesting Operations					
Crop	**Unit**	**Responses**	**Average**	**Variation**	
Corn	$/acre	10	96.24		
Soybeans	$/acre	10	85.46		
On-Farm Corn Drying					
Points of Moisture Removed	**Unit**	**Responses**	**Average**	**Variation**	
Five	¢/bushel	7	18		
Ten	¢/bushel	6	37		
Grain Hauling					
Item	**Unit**	**Responses**	**Average**	**Variation**	
Total Cost of Hauling Grain to Market	¢/bushel	30	19.8	12.5	27.1
Average Farm to Market Haul One-Way	Miles	30	27.6	9.0	46.2
Hay/Straw or Corn Stover Harvesting Operations					
Mowing and Conditioning Hay or Straw	**Unit**	**Responses**	**Average**	**Variation**	
Tractor and Mower/Conditioner	$/acre	15	17.87		
Tedding	$/acre	13	9.92		
Raking (windrowing)	$/acre	13	10.23		
Baling Hay/Straw or Corn Stover	**Unit**	**Responses**	**Average**	**Variation**	
Small Rectangular Bales (25-60 lbs.)	$/bale	12	1.28		
Large Rectangular Bales (over 1000 lbs.)	$/bale	7	11.71		
Medium Round Bales (4 feet wide)	$/bale	10	12.70		
Large Round Bales (5 feet wide)	$/bale	13	13.81		
Large Round Corn Stover Bales	$/bale	1	13.50		
Bale Wrapping and Moving	**Unit**	**Responses**	**Average**	**Variation**	
Charge for Plastic Wrapping Large Bales	$/bale	8	5.88		
Charge for Moving Bales to Farm Storage	$/bale	5	3.60		
Bale Hay on Shares	**Unit**	**Responses**	**Average**	**Variation**	
Custom Operator's Share of Harvest	%	4	50		
Miscellaneous Custom Work					
Type of Activity or Machine Operation	**Unit**	**Responses**	**Average**	**Variation**	
Tiling (excluding cost of tile)	¢/per foot	7	53		
Mowing Pasture or CRP Acres	$/acre	6	27.83		
Bulldozing (blade = 9 feet wide or less)	$/hour	4	116		
Bulldozing (blade = larger than 9 feet)	$/hour	3	150		
Machine Rental Rates (Excluding Operator and Fuel Cost)					
Machine Type	**Unit**	**Responses**	**Average**	**Variation**	
Tractor (Average HP = 211)	$/hour	2	75		