

Service Pricing Calculator

Free download from [Holdings](#) — AI-native business banking with free checking, AI bookkeeping, 1.75% APY, and up to \$3M FDIC insurance through i3 Bank, Member FDIC.

Use this calculator to determine your minimum hourly rate, build three-tier package pricing, and run a competitive analysis.

Part 1: Minimum Hourly Rate Calculator

Step 1: Annual Business Expenses

| Expense Category | Monthly | Annual |
|---|-----------|---------------------|
| Rent / coworking space | \$ | \$ |
| Software & subscriptions | \$ | \$ |
| Insurance (business, liability, E&O) | \$ | \$ |
| Marketing & advertising | \$ | \$ |
| Professional services (accounting, legal) | \$ | \$ |
| Continuing education / training | \$ | \$ |
| Phone / internet | \$ | \$ |
| Office supplies / equipment | \$ | \$ |
| Travel (business) | \$ | \$ |
| Vehicle / mileage | \$ | \$ |
| Subcontractor costs (if any) | \$ | \$ |
| Other: _____ | \$ | \$ |
| Other: _____ | \$ | \$ |
| Total Business Expenses | \$ | \$ _____ (A) |

Step 2: Desired Annual Salary

What do you want to take home (before personal income taxes)?

Desired salary: \$ _____ (B)

Step 3: Self-Employment Tax (If applicable)

If you're a sole proprietor or single-member LLC:

- Self-employment tax rate: 15.3% (Social Security 12.4% + Medicare 2.9%)
- On income up to \$168,600 (2025 wage base)

SE tax estimate: (B) × 15.3% = \$ _____ (C)

(If you're an S-Corp paying yourself a reasonable salary, your employer FICA is already in your business expenses. Skip this.)

Step 4: Profit Target

What percentage of revenue should the business retain for growth, savings, and unexpected costs?

Recommended: 10-20% of total revenue

Profit target: \$ _____ (D) (or ____% of revenue)

Step 5: Total Revenue Needed

A + B + C + D = \$ _____ (Total Revenue Needed)

Step 6: Billable Hours

| Calculation | Your Numbers |
|-------------------------------------|--------------|
| Total work weeks per year | 52 |
| Minus vacation weeks | - _____ |
| Minus holidays (in weeks) | - _____ |
| Minus sick/personal days (in weeks) | - _____ |
| = Available work weeks | _____ |
| × Billable hours per week* | × _____ |
| = Annual Billable Hours | _____ (E) |

Most service providers bill 20-30 hours per week out of a 40-hour week. The rest goes to sales, admin, marketing, bookkeeping, learning, etc. Be honest — overestimating billable hours is the

#1 pricing mistake.

Step 7: Your Minimum Hourly Rate

Total Revenue Needed ÷ Billable Hours = Minimum Rate

\$ _____ ÷ _____ hours = \$ _____/hour

⚠ This is your FLOOR. Do not charge less than this number.

Part 2: Three-Tier Package Builder

Define Your Core Service

What's the primary service you deliver?

Who's your ideal client for this service?

Build Your Tiers

| | Basic | Standard | Premium |
|---------------------|--------------------------|--------------------------|--------------------------|
| Name | _____ | _____ | _____ |
| Deliverables | | | |
| Deliverable 1 | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Deliverable 2 | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Deliverable 3 | | <input type="checkbox"/> | <input type="checkbox"/> |
| Deliverable 4 | | <input type="checkbox"/> | <input type="checkbox"/> |
| Deliverable 5 | | | <input type="checkbox"/> |
| Deliverable 6 | | | <input type="checkbox"/> |
| Turnaround | _____ days | _____ days | _____ days |
| Revisions | _____ rounds | _____ rounds | _____ rounds |
| Support | Email only | Email + calls | Dedicated support |
| Est. Hours | _____ hrs | _____ hrs | _____ hrs |

| | | | |
|------------------|----------|----------|----------|
| Your Cost | \$ _____ | \$ _____ | \$ _____ |
| Price | \$ _____ | \$ _____ | \$ _____ |
| Margin | _____ % | _____ % | _____ % |

Pricing Guidelines

- **Basic:** Your minimum rate × estimated hours (+ 10-20% buffer)
- **Standard:** Basic price × 1.8 to 2.5
- **Premium:** Standard price × 2 to 3

Tier Design Rules

- Basic should be viable but feel incomplete ("I wish I had...")
- Standard should feel like the obvious choice for most buyers
- Premium should include everything + extras that justify a significant price jump
- The gap between Basic and Standard should feel like great value
- The gap between Standard and Premium should feel aspirational

Part 3: Competitive Analysis

Research 3-5 competitors or peers and map their pricing:

Competitor 1: _____

| Service/Package | Their Price | Scope Notes |
|-----------------|-------------|-------------|
| | \$ | |
| | \$ | |
| | \$ | |

Competitor 2: _____

| Service/Package | Their Price | Scope Notes |
|-----------------|-------------|-------------|
| | \$ | |
| | \$ | |
| | \$ | |

Competitor 3: _____

| Service/Package | Their Price | Scope Notes |
|-----------------|-------------|-------------|
| | \$ | |
| | \$ | |
| | \$ | |

Competitor 4: _____

| Service/Package | Their Price | Scope Notes |
|-----------------|-------------|-------------|
| | \$ | |
| | \$ | |

Market Positioning

Based on your research:

| | Low End | Market Average | High End | Your Price |
|---------------------|---------|----------------|----------|------------|
| Basic-equivalent | \$ | \$ | \$ | \$ |
| Standard-equivalent | \$ | \$ | \$ | \$ |
| Premium-equivalent | \$ | \$ | \$ | \$ |

Where do you want to position?

- Below market (compete on price — risky, low margin)
- At market (compete on quality and service)
- Above market (compete on expertise, brand, and outcomes)

Part 4: Annual Pricing Review Checklist

Review annually (at minimum):

| Check | ✓ |
|---|--------------------------|
| Has my cost of living / desired salary increased? | <input type="checkbox"/> |
| Have business expenses increased? | <input type="checkbox"/> |

| | |
|--|--------------------------|
| Have I gained new skills, certifications, or tools? | <input type="checkbox"/> |
| Am I consistently at 80%+ capacity? | <input type="checkbox"/> |
| Am I winning too many proposals? (Sign of underpricing) | <input type="checkbox"/> |
| Have competitors raised prices? | <input type="checkbox"/> |
| Am I delivering more value than when I set current prices? | <input type="checkbox"/> |
| Has my ideal client profile shifted upmarket? | <input type="checkbox"/> |

If you checked 3+ boxes: **it's time to raise prices.**

Recommended increase: 5-15% annually for existing clients, adjust new client rates to market immediately.

For the full pricing guide, read: [How to Price Your Services](#)

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