MARKUP TO MARGIN CHART

Every markup from 5 to 100 percent, with the margin it actually produces. These two numbers are not the same and the gap between them is where small contractors lose money.

Markup is measured against your cost. Margin is measured against the price. Mark a $1,000 cost up 20 percent and the price is $1,200, but the $200 you kept is only 16.7 percent of that $1,200, so the margin is 16.7 percent, not 20.

The gap widens the higher you go. At 50 percent markup the margin is 33.3. At 100 percent markup, which is doubling the price, the margin is only 50. Nothing ever marks up to a 100 percent margin, because that would mean the job cost nothing.

Margin, price and profit at every markup

Markup	Margin	Price on $1,000 cost	Gross profit
5%	4.8%	$1,050.00	$50.00
10%	9.1%	$1,100.00	$100.00
15%	13%	$1,150.00	$150.00
20%	16.7%	$1,200.00	$200.00
25%	20%	$1,250.00	$250.00
30%	23.1%	$1,300.00	$300.00
35%	25.9%	$1,350.00	$350.00
40%	28.6%	$1,400.00	$400.00
45%	31%	$1,450.00	$450.00
50%	33.3%	$1,500.00	$500.00
55%	35.5%	$1,550.00	$550.00
60%	37.5%	$1,600.00	$600.00
65%	39.4%	$1,650.00	$650.00
70%	41.2%	$1,700.00	$700.00
75%	42.9%	$1,750.00	$750.00
80%	44.4%	$1,800.00	$800.00
85%	45.9%	$1,850.00	$850.00
90%	47.4%	$1,900.00	$900.00
95%	48.7%	$1,950.00	$950.00
100%	50%	$2,000.00	$1,000.00

Markup is profit over cost. Margin is profit over price. The price column scales: at a $10,000 cost, multiply it by ten.

Every figure on this sheet was produced by the same calculator that runs at contractorhandbook.com, free and with no signup.

These are estimating figures for ordering and pricing, not engineering. Nothing here sizes a structural member, checks a load, or replaces local code, a permit, or a manufacturer's installation instructions. Where a rule of thumb is doing the work it is written into the notes under each table rather than hidden.