

# Freelance Rate Worksheet

Calculate your minimum viable hourly or project rate

Freelancers HR (FHR) | fhrresearch.org | Detroit, Michigan

This worksheet helps you calculate the minimum rate needed to cover your actual costs as a self-employed worker. Use FHR's Freelance Rate Calculator at fhrresearch.org for an automated version.

## STEP 1 — ANNUAL INCOME TARGET

Target annual take-home income: \$ \_\_\_\_\_

Annual business expenses (software, equipment, etc.): \$ \_\_\_\_\_

Annual health insurance premiums: \$ \_\_\_\_\_

Annual retirement contributions (target): \$ \_\_\_\_\_

Estimated annual self-employment tax (x 0.153 of net income): \$ \_\_\_\_\_

Estimated Michigan income tax (x 0.0425 of net income): \$ \_\_\_\_\_

Detroit city income tax if applicable (x 0.024 of net income): \$ \_\_\_\_\_

TOTAL ANNUAL REVENUE NEEDED (add all above): \$ \_\_\_\_\_

## STEP 2 — BILLABLE HOURS

Not all working hours are billable. Account for admin, marketing, and unbilled time.

Available working weeks per year (typically 48-50 after time off): \_\_\_\_\_

Working hours per week: \_\_\_\_\_

Estimated billable percentage (typically 60-70% for solo freelancers): \_\_\_\_\_%

ANNUAL BILLABLE HOURS (weeks x hours x billable %): \_\_\_\_\_

## STEP 3 — MINIMUM VIABLE RATE

Divide your total annual revenue needed by your annual billable hours.

Total Annual Revenue Needed	\$ _____
divided by Annual Billable Hours	_____
<b>MINIMUM VIABLE HOURLY RATE</b>	<b>\$ _____</b>

#### STEP 4 — MARKET RATE CHECK

Compare your minimum viable rate to Detroit market rates for your specialty. If the market rate is lower than your minimum viable rate, consider:

- Reducing business expenses
- Increasing billable hours
- Adjusting your take-home income target
- Specializing to command higher rates
- Productizing services to increase effective hourly rate

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