

HVAC Real Cost of Labour Calculator

What you pay a HVAC tech and what an hour of their time actually costs you are two different numbers. See your true cost per billable hour once payroll burden and non-billable time are in.

FREE TOOL

HVAC

PRINT OR FILL ON SCREEN

BUILT BY FERVOR STUDIO

HOW IT WORKS

The math behind the number

What you pay a HVAC tech and what an hour of their time actually costs you are two different numbers. The real cost is the burdened wage, meaning pay plus taxes, insurance, and benefits, divided by the share of paid time that is actually billable. Non-billable hours spread the same cost over fewer billable hours, so the true number sits well above the wage.

THE DEFAULTS

HVAC benchmarks for 2026

The worksheet starts from the sourced figures below, so the first number you see is realistic. You then replace each one with your own.

BENCHMARK	TYPICAL VALUE
Average job value	\$1,600
Gross margin	45%
Net profit margin	8%
Median field-tech wage	\$28.75/hr
Payroll burden	32%
Billable utilization	65%
Billed labour rate	\$125/hr

BENCHMARK	TYPICAL VALUE
Close rate	43%
Marketing % of revenue	7%

YOUR WORKSHEET

Fill in your own numbers

Write your figures into the blank column, on paper or on screen. The typical column is only a starting point, so replace it with what your business actually runs.

INPUT	YOUR NUMBER	TYPICAL
Hourly wage What you pay per hour		\$29
Payroll burden % Taxes, insurance, benefits, paid time off		32%
Billable utilization % Share of paid hours that are billable		65%
Overhead per billable hour Tools, vehicle, and admin allocated per hour		\$15

OUTPUT	HOW IT IS BUILT	YOUR RESULT
Burdened wage	$\text{wage} \times (1 + \text{burden} / 100)$	
True cost per billable hour	$\text{burdened} / (\text{utilization} / 100) + \text{overhead}$	

WORKED EXAMPLE

A HVAC example

Hourly wage	\$29
Payroll burden %	32%
Billable utilization %	65%
Overhead per billable hour	\$15
Burdened wage	\$38
True cost per billable hour	\$73

WHERE THE DEFAULTS COME FROM

U.S. Bureau of Labor Statistics – OEWS, Heating/AC/Refrigeration Mechanics & Installers (49-9021), May 2024

U.S. Bureau of Labor Statistics – Occupational Outlook Handbook: HVAC Mechanics & Installers (median wage May 2024)

Built on Tenth – Average HVAC Ticket Size by Job Type (2025–2026 market intelligence)

CEO Finance Academy – HVAC Business Profit Margins at \$1M–\$5M (cites 2024 ACCA Financial Benchmarking Study)

ACHR News – Report: Only 65% of HVAC Technician Time is Billable Hours

ACHR News – Survey Reveals Strategies to Boost HVAC Close Rates by Double Digits

WebFX – 2026 HVAC Marketing Benchmarks (~7% of revenue, CPL data)

BDR – How Much Should HVAC Contractors Spend on Marketing (7–12% of revenue)

Rippling – How to Calculate Labor Burden: 2025 Guide (25–40% burden range)

ServiceTitan – HVAC Labor Rate Calculator & Field Service Metrics (billed rates, utilization)

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