

Hairdressers- ATO Benchmarks

Businesses in the industry cut, colour, perm, straighten and style hair. They may also provide basic beauty and manicuring services, and sell salon products. ***These benchmarks do not apply to barbers and beauty services.**

Performance Benchmarks

These benchmarks use information reported on tax returns and activity statements for the 2019-20 financial year, and are updated each year. This is the most current data.

The benchmarks show ranges of business income to business expenses that you can use to compare your performance against similar businesses in your industry.

Key Benchmark Range

Generally, you should fall within the key benchmark range for your particular annual turnover.

Falling outside the key benchmarks for your industry may indicate your business has room for improvement.

It may also be worthwhile checking you reported all income and accounted for any trading stock you may have used for private purposes, as these can affect your results. Certain businesses can use amounts we accept as estimates, check if they are available for you.

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2019-20 Financial Year			
Annual turnover range	Annual turnover range		
	\$50,000 - \$150,000	\$150,001 - \$300,000	More than \$300,000
Total expenses' divided by Annual turnover	47% - 64%	66% - 80%	76% - 87%
Average total expenses	55%	73%	82%

Other benchmark information that may assist your business

Not all expenses, such as those below, are reported by every business.

Because there are fewer businesses in your industry that report this information, only use this information as a guide if it applies to your business.

Benchmark range	Annual turnover range		
Annual turnover range	\$50,000 - \$150,000	\$150,001 - \$300,000	More than \$300,000
Cost of sales' divided by 'Annual turnover'	12% - 18%	12% - 16%	12% - 17%
Labour' divided by 'Annual turnover'	25% - 38%	28% - 40%	35% - 45%
Rent' divided by 'Annual turnover'	14% - 22%	10% - 16%	8%- 14%
Motor vehicle expenses' divided by 'Annual turnover'	3% - 4%	1% - 2%	1%

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