

# Calculation for Gross Profit and Gross Profit %

## Summary:

Calculation for Gross Profit and Gross Profit %

How is gross profit calculated on the Merchandise Analysis and Inventory Analysis reports?

## Solution:

Gross Profit Percent (also called Gross Margin) shows the percentage of sale dollars that is profit. The formula for Gross Profit % =  $(\text{Sales} - \text{Cost} / \text{Sales}) * 100$ .

**Sales - Cost** is the Gross Profit dollar amount on the reports.

Online URL: <https://counterpoint.knowledgebase.co/article.php?id=200>