

**Total contribution margin in \$ = Total sales or revenues minus  
all variable costs and expenses**

Calculation of the **total contribution margin in dollars\*** for the following  
time period: \_\_\_\_\_ (month, year, etc.)

Total sales or revenues	\$ _____	<b>S</b>
<i>minus</i> all variable costs and expenses	\$ _____	<b>V</b>
<b>= Total contribution margin in dollars</b>	<b>\$ _____</b>	<b>CM\$ (S - V)</b>

**Contribution margin ratio = Total contribution margin in dollars divided by  
total sales or revenues**

Calculation of the **contribution margin ratio**

Total contribution margin in dollars	\$ _____	<b>CM\$</b>
<i>divided by</i> total sales or revenues	\$ _____	<b>S</b>
<b>= Contribution margin ratio</b>	<b>_____ %</b>	<b>CMR (CM\$ / S)</b>

## Notes:

\* A contribution margin per unit can be calculated by dividing the total amounts by the number of units. (If there are various types of units, the result is an average amount per unit.)

**V** Total variable costs and expenses include:

Variable cost of goods sold	\$ _____	
Variable selling expenses	\$ _____	
Variable administrative expenses	\$ _____	
<b>Total variable costs and expenses</b>	<b>\$ _____</b>	<b>V</b>

See **Filled-In Form B4** for an illustration.

Learn about break-even point at [www.AccountingCoach.com](http://www.AccountingCoach.com)