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By using this template you accept these terms. Good luck with your plan!

Salon Business Plan Template

For hair salons and barbershops

Shop name: []

Owners: []

State: []

City: []

Date: []

Version: []

Template version 1, October 2026, by Let's Talk Business Plans.

Free to use and adapt for your own shop. Do not resell or redistribute as your own template. Not legal, tax or financial advice.

How to use this template

- Replace every [bracketed field]. Delete the grey guidance and every shaded box before you send the plan.
- Start with the two switches below: your shop type and your chair model. Then work through the worksheets in section 5: service menu (5.2), chairs and capacity (5.3), revenue by chair model (5.4), worker status (5.5), retail products and inventory (5.6), clients (5.7), build-out budget (5.8) and the licensing, insurance and tax checklist (5.9).
- Build the full projections in the free Excel workbook, then copy the summary figures into section 8: letstalkbusinessplans.com/posts/excel-business-plan-templates-free-download. Section 8 says what the workbook cannot do and where this file picks that up.
- The SBA says: “use the sections that make the most sense for your business and your needs” ([SBA: Write your business plan](#)).

Switch 1, shop type: tick one

- ☐ Hair salon
- ☐ Barbershop
- ☐ Both
- ☐ Other beauty services (nails, esthetics, spa): add rows

Where it changes	Hair salon	Barbershop	Both, or other beauty services
Section 5.2: service menu rows	Cut, color, highlights, blowout, styling, treatments	Cut, beard trim, shave, kids' cut	Use the rows for each, and add rows for the rest
Section 5.9: license rows	Cosmetology or other licenses, as your state names them	Barbering or other licenses, as your state names them	Each license type your state names for each service

Switch 2, chair model: tick one

- ☐ Commission or hourly staff (staff you pay)
- ☐ Booth rent
- ☐ Suite rent
- ☐ A mix

Where it changes	Commission or hourly staff	Booth rent	Suite rent
Revenue lines (5.4)	Services you sell, plus products you sell	Rent from each renter, plus any products you sell yourself	Rent from each suite
Who is on your payroll (4, 8)	The stylists or barbers you pay, and the front desk	The front desk and others you hire; renters are listed separately in section 4	Others you hire; renters are listed separately in section 4
Who buys the products used during services (5.6)	You do	Set by your agreement with the renter	Set by your agreement with the renter
Who owns the client list and the booking system (5.7, 6)	Decide and write it down; ask your attorney	Decide and write it down in the rental agreement; ask your attorney	Decide and write it down in the rental agreement; ask your attorney
What the owner controls: prices, hours, services	Answer in the 5.5 decision box	Answer in the 5.5 decision box	Answer in the 5.5 decision box
Worker-status box (5.5)	Fill it in for your staff	Fill it in for your renters	Fill it in for your renters

A mix: use the column for each chair, and keep one revenue line for each model.

The model you choose changes who is on your payroll and what you can control. The template does not decide worker status; see 5.5.

Your state board sets the licensing rules

This template gives no licensing, sanitation, inspection or employment rules, and no fees or hours. Your state board sets the licensing rules for the shop and for each stylist or barber. Enter your state's requirements where the rows ask for them.

Numbers in this template

No number in this template is an industry figure. Every number in a shaded example row is made up to show the arithmetic. Replace it with your own.

Scope note

Not for medical spas, tattoo or piercing studios, or for running salon suites as a landlord business. This template does not cover making or labeling your own products. Those have different rules: check with your state.

Known limitations of this template

- No built-in calculations: Word has none. The arithmetic is laid out for you; the Excel workbook does the 5-year model.
- No licensing, sanitation, inspection, booth-rental or employment rules are given: your state sets them. Every such row is blank.
- No worker-status answer is given. Section 5.5 is a decision box for your own facts.
- No industry prices, rents, splits, wages or rates are supplied. Every number shown is a labelled example.
- The Excel workbook has no inventory timing, no tips line and salaried payroll only. A commission entered as a direct cost gets no payroll taxes added. Section 8 shows how to work around each.

- Medical spas, tattoo studios, salon-suite landlords and making your own products are not covered.
- The SBA says: “For the first year, be even more specific and use quarterly — or even monthly — projections.” ([SBA](#)) This file holds summary tables only and does not cover everything the SBA lists.
- Checked in LibreOffice only. It has not been opened in Microsoft Word.
- Not legal, tax, accounting, licensing or lending advice.

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One-page summary

Fill this in last, from the sections that follow. Keep it to one page.

Item	Your answer
Shop type: hair salon, barbershop, both (switch 1)	[]
Chair model: commission or hourly, booth rent, suite rent, a mix (switch 2)	[]
Location (section 2)	[]
Number of chairs or suites (section 5.3)	[]
Services offered (section 5.2) and hours open (section 5.3)	[]
Planned bookings a month for each chair (section 5.3)	[]
Retail products: yes or no (section 5.6)	[]
Start-up costs (sections 5.8 and 8.1)	[\$]
Funding request (section 7)	[\$]
Licensing status and next step (section 5.9)	[]

1. Executive summary

How to fill this in (delete before sending)

Write this section last, in one page. Say what kind of shop it is, how its chairs are run, what it offers, where it is and what the plan asks for.

The SBA describes it as: "Briefly tell your reader what your company is and why it will be successful." ([SBA](#))

Questions to answer in this section:

- What is the shop, in two sentences?
 - Which chair model do you run, and how many chairs?
 - How many bookings do you plan, and how do you know?
 - How much funding is needed, for what, and from where?
-
- The shop: [name] is a [hair salon / barbershop / both] in [location], open [days and hours].
 - Chairs: [number] chairs, run as [commission or hourly staff / booth rent / suite rent / a mix] (sections 5.1 and 5.4).
 - Services: [main services] (section 5.2). Planned bookings: [your number] a month for each chair (section 5.3).
 - Retail products: [yes or no] (section 5.6).
 - Licensing: [status and target date] (section 5.9).
 - Funding request: [\$] for [uses] (section 7), or: no funding requested.

2. Company description

How to fill this in (delete before sending)

Give the facts a reader checks first: who owns the shop, its legal form, where it operates and since when. Zoning can apply even to a shop run from a home: the SBA says “zoning ordinances can still apply even to home-based businesses” and to “check with your department of city planning” ([SBA: Launch your business](#)).

Questions to answer in this section:

- Is the shop in a rented space, a suite you rent, or your home?
- Who owns it, and which licenses do the owners hold?

Legal name and structure: [sole proprietor / LLC / corporation / partnership]. Owner(s): [name, share owned].

Start date: [month, year]. Shop type: [hair salon / barbershop / both]. Chair model: [].

Owners' licenses and their status: [leave blank until you have checked with your state board].

Location: [address or area]. Lease: [landlord, term, who pays for what] or: home-based, or: a suite you rent.

Zoning checked with: [city planning office, date, what they said].

Plumbing or ventilation changes: have you asked your landlord whether they are allowed? [Y/N, date, answer]

3. Market analysis

How to fill this in (delete before sending)

Describe the clients you will serve and the other shops near them, from your own research. Say where each number comes from and the date.

This template supplies no market-size figure, no price level and no booking norm. Use a figure only if you can link its source.

Questions to answer in this section:

- Who are your clients, and where do they live or work?
- Which shops are near you, and what do they charge?
- What will clients get from your shop that they do not get from those?

Clients: [who they are; neighborhoods; how you counted them, with source and date].

Yours: the shops near you

Shop	Services	Prices (your research: source and date)	How clients book	Open hours	Chair model, if known
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]

What makes your shop different: [].

4. Organization and management

How to fill this in (delete before sending)

Show who runs the shop, who works in it and who covers when someone is out.

The license each person needs is your state board's to set. Leave the license columns blank until you have checked with your state board.

Planned hires feed the Excel workbook's Payroll section: role, annual salary and start month.

Renters are listed in their own table below, as renters of a chair or suite. Whether anyone is staff or a renter for tax purposes is not decided here (section 5.5).

Questions to answer in this section:

- Who runs the shop, and what have they done before?
- Which hires are planned, and in which month?

Yours: owner, manager and staff

Person or role	What they do	License type (check with your state board)	Experience
[]	[]	[]	[]
[]	[]	[]	[]
[]	[]	[]	[]
[]	[]	[]	[]

Planned hires (feeds the Excel workbook: Assumptions, section 5, Payroll)

Planned hire (role)	Number	Annual pay per person	Start month	Notes
[]	[]	[\$]	[month]	[]
[]	[]	[\$]	[month]	[]
[]	[]	[\$]	[month]	[]
[]	[]	[\$]	[month]	[]

Yours: booth or suite renters (if any)

Renter	Chair or suite	License or permit status (check with your state board)	Agreement signed (date)	Rent terms (yours)
[]	[]	[]	[]	[]
[]	[]	[]	[]	[]
[]	[]	[]	[]	[]

Advisers: [accountant], [insurance agent], [attorney], [contact at your state board].

5. Services and operations

How to fill this in (delete before sending)

Describe the shop, its chairs, what it sells, how its chair model works and which licensing steps your plan includes.

Then fill in the worksheets: shop type and chair model (5.1), service menu (5.2), chairs and capacity (5.3), revenue by chair model (5.4), worker status (5.5), retail products and inventory (5.6), clients (5.7), build-out and start-up budget (5.8), the licensing, insurance and tax checklist (5.9) and busy and slow months (5.10).

Questions to answer in this section:

- What exactly does a client get on one visit?
- Who is on your payroll, and who rents a chair or suite?

5.1 Shop type and chair model

Restate your two switch choices from the front of this file and say why in a paragraph.

Item	Your answer
Shop type (hair salon / barbershop / both / other)	[]
Chair model (commission or hourly staff / booth rent / suite rent / a mix)	[]
Why this model fits your shop, in your own words	[]
Number of chairs or suites run under each model	[]

5.2 Service menu

The rows are prompts, not a standard menu. Enter your own services, minutes and prices. This template gives no price. Delete rows that do not fit your shop type, and add rows for nails, brows, lashes or waxing if you offer them.

Yours: the service menu

Service	Minutes	Price (yours)	Who can perform it (license type, from your state board)	Products used per service (\$, yours)
Haircut	[]	[\$]	[]	[\$]
Color	[]	[\$]	[]	[\$]
Highlights	[]	[\$]	[]	[\$]
Blowout	[]	[\$]	[]	[\$]
Styling	[]	[\$]	[]	[\$]
Beard trim	[]	[\$]	[]	[\$]
Shave	[]	[\$]	[]	[\$]
Kids' cut	[]	[\$]	[]	[\$]
Treatments	[]	[\$]	[]	[\$]
Nails (optional)	[]	[\$]	[]	[\$]
Brows (optional)	[]	[\$]	[]	[\$]
Lashes (optional)	[]	[\$]	[]	[\$]
Waxing (optional)	[]	[\$]	[]	[\$]
[other service]	[]	[\$]	[]	[\$]

Example — replace with your numbers. A hypothetical 4-chair barbershop with made-up services, prices, bookings and costs; no number here is a norm, a market price, a rate or a target. One chair, one month

Service	Minutes	Price	Bookings a month	Revenue	Minutes booked
Haircut	30	\$32	100	\$3,200	3,000
Haircut and beard trim	45	\$45	40	\$1,800	1,800
Hot-towel shave	30	\$30	20	\$600	600
Total			160	\$5,600	5,400 (90 hours)

Example — replace with your numbers: revenue = price × bookings a month. Minutes booked = minutes × bookings a month. 5,400 minutes ÷ 60 = 90 hours.

5.3 Chairs and capacity

Chair-hours a week = chairs × hours open a week. Chair-hours a month = chair-hours a week × 52 ÷ 12.

Booked hours = booked minutes (from 5.2) ÷ 60. Your booked share = booked hours ÷ chair-hours. No share is a target or a norm: it is the arithmetic of your own plan.

Yours: chairs and capacity

Chairs	Hours open a week	Chair-hours a week	Chair-hours a month	Planned bookings per chair a month	Booked minutes (5.2)	Booked hours	Your booked share
[]	[]	[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]	[]	[]

Example — replace with your numbers. A hypothetical 4-chair barbershop with made-up services, prices, bookings and costs; no number here is a norm, a market price, a rate or a target

Line	Worksheet	Yours	Example — replace with your numbers
a	Chairs	[]	4
b	Hours open a day	[]	9
c	Days open a week	[]	6
d	Hours open a week = b × c	[]	54
e	Chair-hours a month for one chair = d × 52 ÷ 12	[]	234
f	Chair-hours a month for all chairs = a × e	[]	936
g	Booked hours a month for one chair (from the 5.2 example)	[]	90
h	Booked hours a month for all chairs = a × g	[]	360
i	Service revenue a month for the shop = a × the 5.2 revenue for one chair	[]	\$22,400
j	Your booked share = h ÷ f	[]	left blank on purpose

Example — replace with your numbers: line j is blank in the example because no share is a target or a norm. Work out your own from your own numbers.

5.4 Revenue build by chair model

Use the part that fits your chair model; a mix uses one line for each model. This template gives no pay plan and no rent level.

Yours: revenue lines by chair model

Chair model	How the owner's revenue is built	Your numbers
Commission or hourly staff	Services (bookings × price, from 5.2 and 5.3) plus products you sell (5.6). Staff pay is a cost: [your pay plan].	[]
Booth rent	Chairs rented × rent per week (yours) × 52 ÷ 12 = rent a month.	[]
Suite rent	Suites × rent per month (yours).	[]
A mix	One line for each model above.	[]

Pay and renters

- Staff pay: [your pay plan]. Ask your accountant and your state labor agency how commission pay is handled.
- Under booth rent, renters keep their own service revenue. Your revenue is the rent, plus any retail you sell yourself.

Yours: one chair, booth rent against commission, dollars only

Line (one chair, one month)	Booth rent	Commission or hourly staff
Rent the owner collects	[\$]	
Service revenue the chair brings in (5.2)		[\$]
Products used during services		[\$]
Left to split between the stylist's pay and the owner		[\$]
Owner's extra costs under commission (payroll costs, front desk, more supplies)		[\$]

Example — replace with your numbers. A hypothetical 4-chair barbershop with made-up services, prices, bookings and costs; no number here is a norm, a market price, a rate or a target. One chair, one month, dollars only

Line	Booth rent	Commission or hourly staff
Rent the owner collects	\$250 a week × 52 ÷ 12 = \$1,083.33	—
Service revenue the chair brings in (the 5.2 example)	the renter's, not the owner's	\$5,600
Products used during services (\$1.50 × 160 services)	the renter's cost	\$240
Left to split between the stylist's pay and the owner	—	\$5,360
Owner's extra costs under commission (payroll costs, front desk, more supplies)	—	[your numbers]

Example — replace with your numbers: Commission pays the owner more than booth rent only if the owner's part of the \$5,360 is more than \$1,083.33 plus the extra costs you carry under commission. The split is your pay plan; this template gives none. With 4 chairs, the rent is $4 \times \$250 \times 52 \div 12 = \$4,333.33$ a month.

5.5 Worker status: a decision box

Your state board sets the licensing rules

This template gives no licensing, sanitation, inspection or employment rules, and no fees or hours. Your state board sets the licensing rules for the shop and for each stylist or barber. Enter your state's requirements where the rows ask for them.

Decision box: worker status

The question: is each person who works in your shop an employee or an independent contractor? This template gives no answer and no rule. Your state and the IRS look at the facts of each case.

The IRS says: "Facts that provide evidence of the degree of control and independence fall into three categories". Behavioral: "Does the company control or have the right to control what the worker does and how the worker does his or her job?" Financial: "Are the business aspects of the worker's job controlled by the payer?", which includes "who provides tools/supplies". Type of relationship: "Are there written contracts or employee type benefits (that is, pension plan, insurance, vacation pay, etc.)?" ([IRS: worker classification](#)).

If it is still unclear, the IRS says you may consider submitting "Form SS-8, Determination of Worker Status for Purposes of Federal Employment Taxes and Income Tax Withholding" ([IRS](#)).

The IRS page is general. It is not about salons or booth rent, and nothing in this template says what the IRS thinks about either.

Write your own facts below, then check with your state and an accountant or attorney.

Yours: the facts

Fact (your answer)	For your staff	For your renters
Who sets the hours and the prices?	☐	☐
Who buys the tools and products? (the IRS names "who provides tools/supplies" as a financial fact)	☐	☐
Who owns the client list and the booking account?	☐	☐
Who takes the payment from the client?	☐	☐
Written agreements: which, signed when, reviewed by whom?	☐	☐
Anything else you want to ask your accountant or attorney	☐	☐

Tips and service charges

- If clients tip staff, read the IRS tip page and ask your accountant how tips are recorded and paid out ([IRS: Tip recordkeeping and reporting](#)).
- The IRS page says: "Service charges are not tips", and "A payment is a tip only if the customer voluntarily decides to pay it and determines the amount."

5.6 Retail products and product inventory

Keep two things apart. Products used during services are a cost of each service (they come from 5.2).

Products for sale are a revenue line, with stock you carry. Under booth rent, decide who sells retail and who keeps the money, and write it down.

Yours: products used during services

Product used during services	Services it is used in	Cost per service (\$, yours)	Who buys it
☐	☐	☐	☐
☐	☐	☐	☐
☐	☐	☐	☐
☐	☐	☐	☐

Yours: products for sale

Product line for sale	Price (yours)	Cost (yours)	Units a month (yours)	Opening stock (\$ at cost)	Reorder point (yours)	Supplier and lead time
[]	[\$]	[\$]	[]	[\$]	[]	[]
[]	[\$]	[\$]	[]	[\$]	[]	[]
[]	[\$]	[\$]	[]	[\$]	[]	[]
[]	[\$]	[\$]	[]	[\$]	[]	[]

Yours: stock month by month, months 1-12

Month	1	2	3	4	5	6	7	8	9	10	11	12
Opening stock (\$ at cost)	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]
+ Purchases	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]
– Cost of products sold	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]
= Closing stock	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]

Opening stock + purchases – cost of products sold = closing stock. The Excel workbook cannot do this: it keeps inventory at its opening value.

Example — replace with your numbers. Made-up inputs, all stock at cost. Products for sale: sales \$600 a month, cost of products sold \$300 a month, opening stock \$1,800, enough for $\$1,800 \div \$300 = 6$ months at that rate. Made-up rule: reorder \$900 in any month that opens at or below \$900

Month	1	2	3	4	5	6
Opening stock	1,800	1,500	1,200	900	1,500	1,200
+ Purchases	0	0	0	900	0	0
– Cost of products sold	300	300	300	300	300	300
= Closing stock	1,500	1,200	900	1,500	1,200	900

Example — replace with your numbers: check, $1,800 + 900 - 1,800 = 900$. The \$900 reorder in month 4 is cash out that the workbook does not show, because it keeps inventory at its opening value. Carry it into the 8.4 cash plan. Gross profit on products ($\$600 - \$300 = \$300$) is arithmetic on made-up inputs, not a margin to aim for.

Question	Where to check
Sales tax on the products you sell	Check with your state's Department of Revenue. SBA: Launch your business
Product liability insurance, if you sell products	SBA: business insurance Ask your insurance agent.
Under booth rent: who sells retail, and who keeps the money?	Your decision, in writing; ask your attorney

5.7 Clients, rebooking and retention

Define your terms first. Rebooked: the next appointment is booked before the client leaves. Lapsed: no visit in [your number] weeks. Then count. This template gives no rebooking share and no target.

Item	Your answer
Rebooked means	[]
Lapsed means: no visit in	[] weeks
Booking system and reminders	[]
Who owns the client list under each chair model	[]
Your rebooking share = rebooked visits ÷ all visits	[]

Yours: clients in and out, months 1–12

Month	1	2	3	4	5	6	7	8	9	10	11	12
Clients at the start	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]
+ New clients	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]
– Lapsed	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]
= Clients at the end	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]

Example — replace with your numbers. Made-up counts, months 1 to 6, starting from no clients; no rate is implied

Month	1	2	3	4	5	6
+ New clients	40	35	30	30	25	25
– Lapsed	0	5	8	10	10	12
= At end	40	70	92	112	127	140

Example — replace with your numbers: 185 new – 45 lapsed = 140. These counts are made up to show the sum. They are not a rate, a target or a warning.

5.8 Build-out, equipment and start-up budget

How to fill this in (delete before sending)

List what the shop must buy or build before the first client. Categories only: this template has no price list. Enter your own quotes.

Each category feeds a line in the Excel workbook's Startup & Funding section (Assumptions, section 6).

The SBA lists examples of microloan uses: working capital, inventory, supplies, furniture, fixtures, machinery and equipment ([SBA: Microloans](#)).

Questions to answer in this section:

- What do you need to buy or build before the first client?
- How much cash covers the first months?

Item	Needed? (Y/N)	Quote 1	Quote 2	Amount	Workbook line
Styling stations and mirrors	[]	[]	[]	[\$]	Furniture and fixtures
Chairs (styling, barber, shampoo, dryer)	[]	[]	[]	[\$]	Furniture and fixtures
Shampoo bowls	[]	[]	[]	[\$]	Equipment
Plumbing and water heating	[]	[]	[]	[\$]	Leasehold improvements
Ventilation	[]	[]	[]	[\$]	Leasehold improvements
Electrical	[]	[]	[]	[\$]	Leasehold improvements
Flooring and finishes	[]	[]	[]	[\$]	Leasehold improvements
Reception and waiting area	[]	[]	[]	[\$]	Furniture and fixtures
Signage	[]	[]	[]	[\$]	Other startup costs
Tools and small equipment	[]	[]	[]	[\$]	Equipment
Opening product stock	[]	[]	[]	[\$]	Initial inventory
Booking, payment and point-of-sale software	[]	[]	[]	[\$]	Computers and software
Deposits	[]	[]	[]	[\$]	Deposits (rent, utilities)
Licenses and permits	[]	[]	[]	[\$]	Licenses and permits
Insurance, first premium	[]	[]	[]	[\$]	Other startup costs
Pre-opening marketing	[]	[]	[]	[\$]	Pre-opening marketing
Working-capital reserve (cash for the first months)	[]	[]	[]	[\$]	Working-capital reserve
Total				[\$]	Section 8.1

5.9 Licensing, insurance and tax checklist

Your state board sets the licensing rules

This template gives no licensing, sanitation, inspection or employment rules, and no fees or hours. Your state board sets the licensing rules for the shop and for each stylist or barber. Enter your state's requirements where the rows ask for them.

This template states no step as required. The SBA says: "The requirements and fees vary based on your business activities, location, and government rules." ([SBA: licenses and permits](#)) Leave the status column blank until you have checked.

Licensing item	Applies? (Y/N)	Status	Target date	Where to check
Shop or establishment license	[]		[]	Check with your state board of cosmetology or barbering.
Each stylist's or barber's license	[]		[]	Check with your state board of cosmetology or barbering.
Do booth renters in your state need their own license or permit?	[]		[]	Check with your state board of cosmetology or barbering.
Inspection before opening	[]		[]	Check with your state board of cosmetology or barbering. Check with your city.
Local business license	[]		[]	SBA: licenses and permits Check with your city.
Zoning or occupancy, if home-based or in a new space	[]		[]	Check with your city.
Building permits for plumbing or ventilation work	[]		[]	Check with your city.

Insurance: the SBA says "Laws requiring insurance vary by state." ([SBA: business insurance](#)) Ask your insurance agent.

Insurance item	Applies? (Y/N)	Status	Where to check
General liability insurance (SBA table: "Any business")	[]		SBA: business insurance Ask your insurance agent.
Professional liability insurance (SBA table: "Businesses that provide services to customers")	[]		SBA: business insurance Ask your insurance agent.
Product liability insurance, if you sell products (SBA table: "Businesses that manufacture, wholesale, distribute, and retail a product")	[]		SBA: business insurance Ask your insurance agent.
Commercial property insurance (SBA table: "Businesses with a significant amount of property and physical assets")	[]		SBA: business insurance Ask your insurance agent.
Home-based business insurance, if run from home (SBA table: "Businesses that are run out of the owner's personal home")	[]		SBA: business insurance Ask your insurance agent.
Workers' compensation, if you hire (laws vary by state)	[]		Check with your state. Ask your insurance agent.

Tax and safety item	Applies? (Y/N)	Status	Where to check
State tax ID and sales tax on products (the SBA says "Income tax, sales tax, property tax, and corporate taxes can vary significantly from place to place.")	[]		Check with your state's Department of Revenue. Ask your accountant.
Tips your staff receive	[]		IRS: Tip recordkeeping and reporting Ask your accountant.
If you have employees who receive tips, does the employer FICA tip credit (IRS Form 8846; 26 U.S.C. 45B) apply to you?	[]		Ask your accountant.
Chemical safety and ventilation	[]		Check with your state board and your insurer.

5.10 Busy and slow months

Questions to answer: Which months are busy (holidays, school starts, summer)? Which are slow? What do you do in a slow month? This template shows no seasonal pattern: fill in your own. 100% = a month with no seasonal change.

Calendar month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Bookings, % of a month with no seasonal change	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]
What changes this month	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]

The Excel workbook takes one shared factor per calendar month for all revenue lines (Assumptions, section 4).

6. Marketing and sales

How to fill this in (delete before sending)

Describe how clients find you, how a first visit becomes a regular one and how a renter markets their own chair.

Use no statistic unless you can link its source and date.

Questions to answer in this section:

- How will the first clients find you?
- What happens at checkout to bring them back?
- How clients find the shop: [walk-ins / online booking / social media / referrals].
- Opening offer: [].
- Rebooking at checkout: [how and who asks].
- Under booth or suite rent: how renters market themselves, and what the shop provides: [].
- Marketing budget: [\$ a month] (Excel workbook: OpEx tab).

7. Funding request

How to fill this in (delete before sending)

The SBA says: "If you're asking for funding, this is where you'll outline your funding requirements." ([SBA](#)) Skip this section if you are not asking for money. Make the amount match section 8.1 and the start-up list in 5.8.

Questions to answer in this section:

- How much is needed, and where will it come from?
- What will each dollar buy?
- How will a loan be repaid from the shop's cash flow?

Item	Your answer
Amount requested	[\$]
Type of funding	[Loan / Owner equity / other]
Terms you would like, and the period the request covers	[]
Use of funds (from section 5.8)	[]
Repayment from cash flow (loans)	[]

Paths to check (ask your lender what it requires)

- SBA microloans: "To apply for a microloan, work with an SBA-approved intermediary in your area." And: "SBA-approved lenders make all credit decisions and set all terms for your microloan." ([SBA: Microloans](#))
- SBA 7(a) loans: "You will be applying for your loan directly through a local lender." The SBA lists, among what you do: "Be creditworthy and demonstrate a reasonable ability to repay the loan" ([SBA: 7\(a\) loans](#)).
- This template states no amount, rate or term, and promises no loan.

8. Financial projections

How to fill this in (delete before sending)

The SBA says: "Supplement your funding request with financial projections." And: "For the first year, be even more specific and use quarterly — or even monthly — projections." ([SBA](#))

Build the numbers in the free Excel workbook: letstalkbusinessplans.com/posts/excel-business-plan-templates-free-download. Copy the summary figures below and attach the printouts (section 10).

This file holds summary tables only. Each table names the workbook tab that fills it.

Questions to answer in this section:

- Do the projections match the funding request?
- What has to be true for these numbers to happen?

Workbook bridge and its limits

- Revenue lines: the workbook has up to five. Line A can be services (appointments a month $\times$ price per service) and line B retail products (items $\times$ price per item). A booth-rent shop can enter chairs rented $\times$ monthly rent as a line. Enter the full Year-1 monthly volume (Assumptions, section 2).
- Products used during services are the service line's direct cost (Direct Costs tab: that line's sales $\times$ its direct-cost share).
- Ramp-up is one six-month table, and seasonality is one factor per calendar month, both shared by all revenue lines. A shop with booth rent and commission in one place uses two revenue lines and one shared ramp-up and seasonality.
- There is no inventory timing: the workbook keeps inventory at its opening value. Work your reorders in 5.6 and carry them into 8.4.
- Payroll is salaried by role from a start month, with no hourly scheduling, overtime or bonuses. Commission pay has two choices, both yours: an annual estimate for each role on the Payroll tab, or a direct cost on the service line. With the second, the workbook adds no payroll taxes or other payroll costs, so add them by hand or ask your accountant. This template suggests no commission rate.
- There is no tips line. Tips paid to staff are outside the model; the 8.4 cash plan has a row for them.
- Lowest month-end cash is read from the Key Ratios tab (the row called Lowest month-end cash in the year).
- The workbook is not salon-specific.

8.1 Start-up costs and funding (sources and uses)

From the Excel workbook, Startup & Funding tab

Uses of funds	Amount	Sources of funds	Amount
Equipment and furniture (5.8)	[\$]	Loan	[\$]
Build-out: plumbing, ventilation, electrical, finishes (5.8)	[\$]	Owner equity	[\$]
Opening product stock (5.8)	[\$]	Investor equity	[\$]
Licenses, deposits and first insurance premium (5.8)	[\$]	[other]	[\$]
Marketing before opening	[\$]		
Working-capital reserve (5.8)	[\$]		
Total uses	[\$]	Total sources	[\$]

8.2 Profit and loss summary, Years 1-5

From the Excel workbook, P&L tab (annual columns)

Line	Year 1	Year 2	Year 3	Year 4	Year 5
Sales	[\$]	[\$]	[\$]	[\$]	[\$]
Direct costs	[\$]	[\$]	[\$]	[\$]	[\$]
Gross profit	[\$]	[\$]	[\$]	[\$]	[\$]
Payroll	[\$]	[\$]	[\$]	[\$]	[\$]
Operating expenses	[\$]	[\$]	[\$]	[\$]	[\$]
EBITDA	[\$]	[\$]	[\$]	[\$]	[\$]
Net income	[\$]	[\$]	[\$]	[\$]	[\$]

8.3 Cash, break-even and the loan

From the Excel workbook, Cash Flow, Key Ratios, Break-Even and Loan tabs

Line	Year 1	Year 2	Year 3	Year 4	Year 5
Ending cash	[\$]	[\$]	[\$]	[\$]	[\$]
Lowest month-end cash (and month)	[\$] ([month])	[\$] ([month])	[\$] ([month])	[\$] ([month])	[\$] ([month])
Annual debt service	[\$]	[\$]	[\$]	[\$]	[\$]
Debt service coverage ratio	[x]	[x]	[x]	[x]	[x]

Break-even sales per month (Excel: Break-Even tab): [\$] on a profit basis, [\$] on a cash basis.

8.4 Year-1 monthly cash plan

The workbook cannot delay a payment, hold stock or show tips, so work Year 1 here. Set the slow first months yourself. Cash in = service revenue or rent received + retail sales received + other cash in. Card tips in and tips paid out are a pass-through: confirm how to treat them with your accountant. Net = cash in – cash out. Cumulative = the running total of net from month 1. Keep a working-capital reserve at least as large as your lowest cumulative figure.

Yours: Year-1 monthly cash plan, months 1–12

Month	1	2	3	4	5	6	7	8	9	10	11	12
Bookings (from 5.3)	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]
Service revenue or rent received	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]
Retail sales received	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]
Other cash in	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]
Card tips in (pass-through)	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]
Cash in	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]
Product purchases (from 5.6)	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]
Staff pay	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]
Rent and other costs	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]
Loan payments	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]
Tips paid out (pass-through)	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]
Cash out	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]
Net	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]
Cumulative	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]	[]

8.5 Balance sheet

The balance sheet at each year-end (total assets, liabilities and equity) is on the Excel workbook's Balance Sheet tab. Copy the five year-end columns here or attach the printout in section 10: [].

Main assumptions: [chairs, chair model, bookings, prices, product stock, rent, insurance, loan terms].

9. Risks and what you'll do

How to fill this in (delete before sending)

For each risk, change the matching input in the Excel workbook or in 8.4 and note what happens to cash. Then write the reserve or action. No probabilities are needed.

Questions to answer in this section:

- What could keep the shop from opening or from covering its costs, and how long could you cover the bills?

Risk	What to change or check	Effect on cash	Your plan (reserve or action)
A stylist or barber leaves and clients follow	Bookings (5.3); client counts (5.7); the agreement (5.5)	[]	[]
A renter leaves a chair empty	Rent line (5.4); working-capital reserve	[]	[]
Bookings start slower than planned	Bookings for each chair (5.3); the 8.4 cash plan	[]	[]
Product stock sits unsold	Opening stock and reorders (5.6); cash plan	[]	[]
A licensing or inspection delay pushes the opening	Checklist (5.9); rent and pay before opening	[]	[]
Build-out costs run over the quotes	Budget (5.8); funding request (7)	[]	[]
Equipment breaks	Equipment and repairs (5.8); insurance (5.9)	[]	[]

10. Appendix checklist

This appendix is an addition to the SBA's sections. Attach what your reader asks for and tick it.

- ☐ License copies or application status
- ☐ Inspection report
- ☐ Lease
- ☐ Build-out quotes
- ☐ Insurance certificates
- ☐ Booth rental or employment agreements (reviewed by your attorney)
- ☐ Service menu and price list
- ☐ Excel workbook printouts: P&L, Cash Flow, Balance Sheet, Key Ratios

Sources for the pages cited in this template, as read on October 23, 2026: SBA (Plan your business; Launch your business; Microloans; 7(a) loans) and IRS (worker classification; Tip recordkeeping and reporting) pages, linked in each section; and 26 U.S.C. 45B. The SBA lists these plan sections: Executive summary; Company description; Market analysis; Organization and management; Service or product line; Marketing and sales; Funding request; Financial projections. Check each page again before you rely on it.