JMCO TEMP: Payrate x 1.20 – bill rate = Profit Per Hour/Gross Margin

$15 (pay rate) x 1.20 (cost) = $18 (total cost of temp) - $23.25 (bill rate) = $5.25 GM

JMCO 1099: Payrate x 1.15 – bill rate = Profit Per Hour/Gross Margin

$15 (pay rate) x 1.15 (cost) = $17.25 (total cost of 1099) - $23.25 (bill rate) = $6.00 GM